

Tolls, Tariff, Facilities & Procedures Committee

Resolution

T2010-02: AGA Tariff Clean Up

Resolution

The Tolls, Tariff, Facilities & Procedures Committee (TTFP) supports adoption of the Tariff revisions as attached.

Background

TransCanada has been working toward replacing NGTL's current Gas Management System (GSAM) with the new Alberta Gas Accounting System. Reference in the NGTL Tariff to GSAM reports must be updated to reflect the new processes related to the AGA System.

In addition, NGTL currently has the capability to use the Company Website for notification so the notification process needs to be updated throughout the Tariff. As fax functionality is not built into the AGA, reference to fax notification needs to be removed from the Tariff.

Next Steps

TransCanada will file this resolution with the NEB for approval of the Tariff amendments to coincide with the implementation of the AGA.

An amendment to the NGTL Tariff is currently being proposed resulting from TTFP Resolution **T2010-02 AGA Tariff Clean-Up**. This summary is provided for information only and is not intended to form part of the NGTL Tariff.

1. General Terms and Conditions (GT&C)

- (i) Removed Definition **1.26** [EBB] and replaced with [Website];
- (ii) Added Definition **1.84**: [Notice]; and
- (iii) Added Definition **1.120** [Website].

2. Appendixes:

- A – Service At Export Delivery Points
- C – Title Transfers
- D – Customer’s Inventories
- F – Notice of Schedule for Electronic Commerce
- G – Emergency Response Compensation
- H – CO2 Management Service

Rate Schedules: CO2, FCS, FT-P, FT-R, IT-D, IT-R, IT-S, LRS, LRS-2, LRS-3, OS, PT and STFT

General Terms and Conditions (GT&C)

- (i) Replaced [notice] and [written notice] with [Notice];
- (ii) Replaced [EBB] and [electronic bulletin board] with [Website]; and
- (iii) Replaced [notify] with [give Notice to].

3. Appendix G – Emergency Response Compensation

- (i) Article 4.0: Updated as required for new computer system.

4. Service Agreements: CO2, FCS, FT-P, FT-R, IT-D, IT-R, IT-S, LRS, LRS-2, LRS-3, OS, PT and STFT

- (i) Revised Notice provisions to include Website postings.

**TERMS AND CONDITIONS RESPECTING
ACCESS TO TRANSPORTATION SERVICE AT EXPORT DELIVERY POINTS**

1.0 DEFINITIONS

1.1 Capitalized terms used in this Appendix have the meanings attributed to them in the Tariff unless otherwise defined in this Appendix.

2.0 PROCEDURES FOR ACCESS TO FT-D EXISTING CAPACITY

2.1 Posting of Existing Capacity

If Company determines that capacity is available or may become available for Service under Rate Schedule FT-D that does not require new Facilities (“Existing Capacity”), Company shall provide ~~n~~Notice on ~~its~~~~the~~ ~~w~~Website of the open season for such Existing Capacity (the “Existing Capacity Open Season”). At least 3 Banking Days (excluding statutory holidays in the United States) after such ~~n~~Notice, Company shall post on ~~its~~~~the~~ ~~w~~Website:

- (a) the quantity of Existing Capacity available at the Export Delivery Point;
- (b) the date such Existing Capacity will be available; and
- (c) the Closing Date for such Existing Capacity Open Season.

2.2 Existing Capacity Bid Process

If Company posts Existing Capacity pursuant to paragraph 2.1, prospective customers may bid for such Existing Capacity, on any Banking Day up to and including the Closing Date, as follows:

- (a) Prospective customers shall submit a completed and unedited bid form, in the form set out in article 6.0 (the “Open Season Bid Form”);

prospective customer shall be withdrawn and such prospective customer shall pay Company an amount equal to the lesser of:

- (i) one month demand charges for the Export Delivery Contract Demand set out on the Open Season Bid Form; or
 - (ii) \$10,000.
- (e) A prospective customer and/or its affiliate, either together or individually, shall not submit an Open Season Bid Form for a quantity greater than the Existing Capacity being offered or submit multiple bids where the aggregate Export Delivery Contract Demand of the multiple bids exceeds the Existing Capacity being offered; and
- (f) Company shall not be obligated to accept any bid if:
- (i) the Service Commencement Date is within 5 Banking Days of the Closing Date;
 - (ii) the Service Commencement Date is more than 12 months from the Closing Date; and
 - (iii) the prospective customer has not met the criteria set forth in article 2.0.

2.3 Conditional Bids

2.3.1 If a prospective customer's bid is subject to the condition set out in paragraph 8 of the Open Season Bid Form that such prospective customer has been awarded capacity through a direct interconnecting pipeline open season process (the "Interconnecting Pipeline Open Season"), Customer shall within 2 Banking Days from the Existing Capacity Open Season Closing Date provide ~~written~~ nNotice to Company that either the condition has been satisfied or waived. If such prospective customer fails to provide Company with such ~~n~~Notice, the condition

- (d) If the Existing Capacity to be awarded to a bid as determined by Company in either subparagraph 2.4(b) or subparagraph 2.4(c) is less than the minimum Export Delivery Contract Demand as set out in such Open Season Bid Form, that bid shall be deemed to be rejected by Company and no Existing Capacity shall be awarded to such bid. The remaining Existing Capacity shall continue to be awarded sequentially to the remaining bids based on the priority established pursuant to subparagraph 2.4(a), until all the bids have been processed or until all Existing Capacity has been awarded; and
- (e) Company shall be deemed to have accepted the bids of prospective customers when Company awards Existing Capacity to such prospective customers. Company shall ~~notify~~ give Notice to such prospective customers who have been awarded Existing Capacity within 3 Banking Days from the Closing Date.

2.5 Requirements for Existing Capacity

Where Company awards Existing Capacity to a prospective customer pursuant to paragraph 2.4, such prospective customer shall, at the request of Company:

- (a) execute, within the time period specified by Company, a Service Agreement and Schedule of Service under Rate Schedule FT-D for such Existing Capacity;
- (b) provide sufficient financial information to demonstrate its creditworthiness; and
- (c) provide a Financial Assurance to Company pursuant to paragraph 10.1 of the General Terms and Conditions.

2.6 Daily Open Season

2.6.1 Posting of Existing Capacity for Daily Open Season

If on any Banking Day (excluding statutory holidays in the United States), Company determines there is Existing Capacity available that has not been

awarded by Company pursuant to paragraph 2.4, Company shall post on ~~its~~ the ~~w~~Website (the “Daily Open Season”) the following:

- (a) the quantity of Existing Capacity available at the Export Delivery Point; and
- (b) the date such Existing Capacity will be available.

If all or a portion of such Existing Capacity has not been awarded pursuant to subparagraph 2.6.3, such Existing Capacity shall be deemed to be re-posted by Company on each subsequent Banking Day (excluding statutory holidays in the United States) until such Existing Capacity is awarded pursuant to subparagraph 2.6.3 or until Company holds an Existing Capacity Open Season pursuant to paragraph 2.1 or an Expansion Capacity Open Season pursuant to paragraph 3.1.

If, at any time, Company determines that it will hold an Existing Capacity Open Season pursuant to paragraph 2.1 or an Expansion Capacity Open Season pursuant to paragraph 3.1, Company may reduce all or a portion of the Existing Capacity available for the Daily Open Season. Company shall provide ~~a~~ Notice on ~~its~~ the ~~w~~Website, at least 3 Banking Days in advance, of any such reduction. If all Existing Capacity has not been awarded pursuant to 2.6.3, Company may offer any remaining Existing Capacity as Expansion Capacity pursuant to paragraph 3.1.

2.6.2 Daily Open Season Bid Process

If Company posts Existing Capacity pursuant to subparagraph 2.6.1, prospective customers may bid for such Existing Capacity on the day that the Existing Capacity is posted or deemed to be re-posted as follows:

- (a) Prospective customers shall submit a completed and unedited bid form, in the form set out in article 7.0 (the “Daily Open Season Bid Form”);

- (e) Company shall be deemed to have accepted the bids of prospective customers when Company awards Existing Capacity to such prospective customers. Company shall ~~notify~~ give Notice to such prospective customers who have been awarded Existing Capacity within 2 Banking Days from the date such Existing Capacity is posted or deemed re-posted.

2.6.4 Requirements for Existing Capacity

Where Company awards Existing Capacity to a prospective customer pursuant to subparagraph 2.6.3, such prospective shipper shall, at the request of Company:

- (a) execute, within the time period specified by Company, a Service Agreement and Schedule of Service under Rate Schedule FT-D, for such Existing Capacity;
- (b) provide sufficient financial information to demonstrate its creditworthiness; and
- (c) provide a Financial Assurance to Company pursuant to paragraph 10.1 of the General Terms and Conditions.

3.0 PROCEDURES FOR ACCESS TO FT-D EXPANSION CAPACITY

3.1 Posting of Expansion Capacity

If Company determines that demand for Service under Rate Schedule FT-D may be sufficient to consider expansion of existing Facilities (“Expansion Capacity”), Company shall provide ~~n~~Notice on ~~its~~the ~~w~~Website of the open season for such Expansion Capacity (the “Expansion Capacity Open Season”). At least 3 Banking Days after such ~~n~~Notice (excluding statutory holidays in the United States), Company shall post on ~~its~~the ~~w~~Website:

- (a) the date such Expansion Capacity may be available; and

If Company awards Expansion Capacity to a prospective customer and such customer executes the Service Agreement and Schedule of Service under Rate Schedule FT-D for such Expansion Capacity, the deposit, if provided, will be credited to the bill for the first month of Service or returned to the Customer if requested.

If Company awards Expansion Capacity to a prospective customer who is also a Customer receiving Service, other than Service under Rate Schedule IT-S or Rate Schedule FT-X, and such prospective customer fails to meet the requirements for Expansion Capacity set out in paragraph 3.5, the Expansion Capacity awarded to such prospective customer shall be withdrawn and such prospective customer shall pay Company an amount equal to the lesser of:

- (i) one month demand charges for the Export Delivery Contract Demand set out on the Open Season Bid Form; or
 - (ii) \$10,000.
- (e) Company shall not be obligated to accept any bid if:
- (i) the Service Commencement Date is different from the date such Expansion Capacity may be available, as set out by Company in subparagraph 3.1(a); and
 - (ii) the prospective customer has not met the criteria set forth in article 3.0.

3.3 Conditional Bids

3.3.1 If a prospective customer's bid is subject to the condition set out in paragraph 8 of the Open Season Bid Form that such prospective customer has been awarded capacity through an Interconnecting Pipeline Open Season, Customer shall within 5 Banking Days from the Expansion Closing Date provide ~~written notice~~ Notice to Company that either the condition has been satisfied or waived. If such

prospective customer fails to provide Company with such a Notice, the condition shall be deemed satisfied and Company may award Expansion Capacity to such prospective customer pursuant to paragraph 3.4.

3.3.2 If the capacity awarded to a prospective customer through an Interconnecting Pipeline Open Season is less than the requested Export Delivery Contract Demand set out in the Open Season Bid Form, prospective customer may reduce the Export Delivery Contract Demand to a quantity not less than the capacity awarded through such Interconnecting Pipeline Open Season.

3.4 Awarding of Expansion Capacity

Subject to paragraphs 3.3 and 3.5, Expansion Capacity shall be awarded to the prospective customers whose bids are accepted by Company as follows:

- (a) Company shall rank the bids in descending priority on the basis of the per unit product of the current FT-D Demand Rate multiplied by the requested term (where the bid with the highest per unit product shall have the higher priority);
- (b) Subject to subparagraph 3.4(d), Company shall award Expansion Capacity to the bids in sequential order, based on the priority established pursuant to subparagraph 3.4(a), until all the bids have been processed or until all Expansion Capacity has been awarded;
- (c) Subject to subparagraph 3.4(d), if two or more bids have the same priority and the Expansion Capacity is not sufficient to provide the total Export Delivery Contract Demand, then the Expansion Capacity shall be awarded to such bids on a pro rata basis based on the Export Delivery Contract Demand of each bid;
- (d) If the Expansion Capacity to be awarded to a bid as determined by Company in either subparagraph 3.4(b) or subparagraph 3.4(c) is less than the minimum Export Delivery Contract Demand as set out in such Open Season Bid Form, that bid shall be deemed to be rejected by Company and no Expansion Capacity shall

be awarded to such bid. The remaining Expansion Capacity shall continue to be awarded sequentially to the remaining bids based on the priority established pursuant to subparagraph 3.4(a), until all the bids have been processed or until all Expansion Capacity has been awarded; and

- (e) Company shall be deemed to have accepted the bids of prospective customers when Company awards Expansion Capacity to such prospective customers. Company shall ~~notify~~ give Notice to such prospective customers who have been awarded Expansion Capacity within 10 Banking Days from the Expansion Closing Date.

3.5 Requirements for Expansion Capacity

Where Company awards Expansion Capacity to a prospective customer pursuant to paragraph 3.4, such prospective shipper shall, at the request of Company:

- (a) execute, within the time period specified by Company, a Service Agreement and Schedule of Service under Rate Schedule FT-D, for such Expansion Capacity;
- (b) provide sufficient financial information to demonstrate its creditworthiness; and
- (c) provide a Financial Assurance to Company pursuant to paragraph 10.1 of the General Terms and Conditions.

4.0 PROCEDURES FOR ACCESS TO FT-DW CAPACITY

4.1 Posting of FT-DW Capacity

If Company determines that capacity is available or may become available for Service under Rate Schedule FT-DW that does not require new Facilities (“FT-DW Capacity”), Company shall provide ~~n~~Notice on its the wWebsite of the open season for such FT-DW Capacity (the “FT-DW Capacity Open Season”). At least 3 Banking Days (excluding

statutory holidays in the United States) after such ~~n~~Notice, Company shall post on ~~its~~ the ~~w~~Website:

- (a) the quantity of FT-DW Capacity available at the Export Delivery Point;
- (b) the date such FT-DW Capacity will be available; and
- (c) the Closing Date for such FT-DW Capacity Open Season.

4.2 FT-DW Capacity Bid Process

If Company posts FT-DW Capacity pursuant to paragraph 4.1, prospective customers may bid for such FT-DW Capacity, on any Banking Day up to and including the Closing Date, as follows:

- (a) Prospective customers shall submit a bid for such FT-DW Capacity in the form of a completed and unedited FT-DW Service Agreement and Schedule of Service attached as Exhibit “A” to the FT-DW Service Agreement;
- (b) The term of Service shall be the term as set out in Rate Schedule FT-DW;
- (c) All bids shall be irrevocable and must be received by Company by 11:00 hours CCT on the Closing Date;
- (d) No deposit is required to accompany the prospective customer’s bid;
- (e) A prospective customer and/or its affiliate, either together or individually, shall not submit a Schedule of Service for a quantity greater than the FT-DW Capacity being offered or submit multiple bids where the aggregate maximum FT-DW Capacity of the multiple bids exceeds the FT-DW Capacity being offered; and
- (f) Company shall not be obligated to accept any bid if:

- (i) the Service Commencement Date does not match the date such FT-DW Capacity is available as set out in the FT-DW Capacity Open Season ~~Notice~~; and
- (ii) the prospective customer has not met the criteria set forth in article 4.0.

4.3 Awarding of FT-DW Capacity

Subject to paragraph 4.4, FT-DW Capacity shall be awarded to the prospective customers whose bids are accepted by Company as follows:

- (a) Company shall rank the bids in descending priority on the basis of the FT-DW Bid Price (where the bid with the highest bid price shall have the higher priority);
- (b) Subject to subparagraph 4.3(d), Company shall award FT-DW Capacity to the bids in sequential order, based on the priority established pursuant to subparagraph 4.3(a), until all the bids have been processed or until all FT-DW Capacity has been awarded;
- (c) Subject to subparagraph 4.3(d), if two or more bids have the same priority and the FT-DW Capacity is not sufficient to provide the total maximum FT-DW Capacity, then the FT-DW Capacity shall be awarded to such bids on a pro rata basis based on the maximum FT-DW Capacity of each bid;
- (d) If the FT-DW Capacity to be awarded to a bid as determined by Company in either subparagraph 4.3(b) or subparagraph 4.3(c) is less than the minimum FT-DW Capacity as set out in such Schedule of Service, that bid shall be deemed to be rejected by Company and no FT-DW Capacity shall be awarded to such bid. The remaining FT-DW Capacity shall continue to be awarded sequentially to the remaining bids based on the priority established pursuant to subparagraph 4.3(a), until all the bids have been processed or until all FT-DW Capacity has been awarded; and

- (e) Company shall be deemed to have accepted the bids of prospective customers when Company awards FT-DW Capacity to such prospective customers. Company shall ~~notify~~ give Notice to such prospective customers who have been awarded FT-DW Capacity within 3 Banking Days from the Closing Date.

4.4 Requirements for FT-DW Capacity

Where Company awards FT-DW Capacity to a prospective customer pursuant to paragraph 4.3, such prospective customer shall, at the request of Company:

- (a) provide sufficient financial information to demonstrate its creditworthiness; and
- (b) provide a Financial Assurance to Company pursuant to paragraph 10.1 of the General Terms and Conditions.

5.0 PROCEDURES FOR ACCESS TO STFT CAPACITY

5.1 Posting of STFT Capacity

If Company determines that capacity is available or may become available for Service under Rate Schedule STFT that does not require new Facilities (“STFT Capacity”), Company shall provide ~~n~~Notice on its the wWebsite of the open season for such STFT Capacity (the “STFT Capacity Open Season”). At least 3 Banking Days (excluding statutory holidays in the United States) after such ~~n~~Notice, Company shall post on ~~its the~~ wWebsite:

- (a) the quantity of STFT Capacity available at the Export Delivery Point;
- (b) the date such STFT Capacity will be available;
- (c) the Months such STFT Capacity is available; and
- (d) the Closing Date for such STFT Capacity Open Season.

until all the bids have been processed or until all STFT Capacity has been awarded; and

- (f) Company shall be deemed to have accepted the bids of prospective customers when Company awards Capacity to such prospective customers. Company shall ~~notify~~ give Notice to such prospective customers who have been awarded Capacity within 3 Banking Days from the Closing Date.

5.4 Requirements for STFT Capacity

Where Company awards STFT Capacity to a prospective customer pursuant to paragraph 5.3, such prospective customer shall, at the request of Company:

- (a) provide sufficient financial information to demonstrate its creditworthiness; and
- (b) provide a Financial Assurance to Company pursuant to paragraph 10.1 of the General Terms and Conditions.

5.5 STFT Daily Open Season

5.5.1 Posting of Capacity for STFT Daily Open Season

If on any Banking Day (excluding statutory holidays in the United States), Company determines there is STFT Capacity available that has not been awarded by Company pursuant to paragraph 5.3, Company shall post on ~~its~~ the wWebsite (the “STFT Daily Open Season”) the following:

- (a) the quantity of STFT Capacity available at the Export Delivery Point;
- (b) the date such STFT Capacity will be available; and
- (c) the Months such STFT Capacity is available.

If all or a portion of such STFT Capacity has not been awarded pursuant to subparagraph 5.5.3, such STFT Capacity shall be deemed to be re-posted by

Company on each subsequent Banking Day (excluding statutory holidays in the United States) until such STFT Capacity is awarded pursuant to subparagraph 5.5.3 or until Company holds an Existing Capacity Open Season pursuant to paragraph 2.1 or a STFT Capacity Open Season pursuant to paragraph 5.1.

If, at any time, Company determines that it will hold an Existing Capacity Open Season pursuant to paragraph 2.1 or a STFT Capacity Open Season pursuant to paragraph 5.1, Company may reduce all or a portion of the STFT Capacity available for the STFT Daily Open Season. Company shall provide ~~n~~Notice on ~~its~~ ~~the~~ ~~w~~Website, at least 3 Banking Days in advance, of any such reduction.

5.5.2 STFT Daily Open Season Bid Process

If Company posts STFT Capacity pursuant to subparagraph 5.5.1, prospective customers may bid for such STFT Capacity on the day that the STFT Capacity is posted or deemed to be re-posted as follows:

- (a) Prospective customers shall submit a bid for such available STFT Capacity in the form of a completed and unedited Schedule of Service attached as Exhibit “A” to the STFT Service Agreement;
- (b) The requested term of Service, as established by the requested service commencement date (the “Service Commencement Date”) and requested Service Termination Date, each set out on the Schedule of Service, shall be a minimum term of one week and a maximum of one year less one day and shall end on the last day of a Month;
- (c) All bids must be received by Company by 11:00 hours CCT on the day the STFT Capacity is posted or deemed re-posted and shall be irrevocable at that time;
- (d) No deposit is required to accompany the prospective customer’s bid;

subparagraph 5.5.3(a), until all the bids have been processed or until all STFT Capacity has been awarded;

- (c) Subject to subparagraph 5.5.3(d), if two or more bids have the same priority and the STFT Capacity is not sufficient to provide the total maximum STFT Capacity, then the STFT Capacity shall be awarded to such bids on a pro rata basis based on the maximum STFT Capacity of each bid;
- (d) If the STFT Capacity to be awarded to a bid as determined by Company in either subparagraph 5.5.3(b) or paragraph 5.5.3(c) is less than the minimum STFT Capacity as set out in such Schedule of Service, that bid shall be deemed to be rejected by Company and no STFT Capacity shall be awarded to such bid. The remaining STFT Capacity shall continue to be awarded sequentially to the remaining bids based on the priority established pursuant to subparagraph 5.5.3(a), until all the bids have been processed or until all STFT Capacity has been awarded; and
- (e) Company shall be deemed to have accepted the bids of prospective customers when Company awards STFT Capacity to such prospective customers. Company shall ~~notify~~ give Notice to such prospective customers who have been awarded STFT Capacity within 2 Banking Days from the date such Existing Capacity is posted or deemed re-posted.

5.5.4 Requirements for STFT Capacity

Where Company awards Existing Capacity to a prospective customer pursuant to subparagraph 5.5.3, such prospective shipper shall, at the request of Company:

- (a) provide sufficient financial information to demonstrate its creditworthiness; and

TERMS AND CONDITIONS RESPECTING TITLE TRANSFERS

1.0 DEFINITIONS

1.1 Capitalized terms used in this Appendix have the meanings attributed to them in the Tariff unless otherwise defined in this Appendix.

2.0 AVAILABILITY OF TITLE TRANSFERS

2.1 A Customer entitled to receive service under any Rate Schedule that permits title transfers may transfer all or a portion of Customer's Inventory to another Customer or may accept a transfer of all or a portion of Customer's Inventory from another Customer provided such other Customer is entitled to receive service under any Rate Schedule that permits title transfers on the following terms and conditions.

2.2 Customers requesting a title transfer shall provide Company with a Notice via ~~Company's~~ the electronic bulletin board ("EBB") Website. The Notice shall include the following:

- (a) the Customer transferring Customer's Inventory;
- (b) the Customer receiving Customer's Inventory;
- (c) the quantity (in energy) of Customer's Inventory to be transferred;
- (d) the effective date of the title transfer; and
- (e) if the Notice provides for Customer's Inventory to be transferred over a series of days, the last day of such series upon which title transfer is to be made.

Company will process title transfers throughout the day but such title transfers shall be effective at the beginning of the day. Notice must be received by Company from Customer or from an agent duly authorized to act on behalf of Customer in accordance with article 4.0 of this Appendix.

3.0 TERMINATION OF TITLE TRANSFERS

3.1 A title transfer may be terminated prior to the date referred to in subparagraph 2.2(e), upon receipt by Company of ~~n~~Notice satisfactory to Company by one of the Customers involved in the transfer. The termination of the title transfer will be effective on the day Company receives ~~n~~Notice of such termination or on a subsequent day as specified in the ~~n~~Notice.

4.0 GENERAL PROVISIONS

4.1 These terms and conditions are subject to the terms and conditions of Service set forth in the Tariff, including the provisions of the Terms and Conditions Respecting Customer's Inventories and Related Matters in Appendix "D" of the Tariff. Without limiting the generality of the foregoing, a title transfer shall not be effective if Company determines, acting reasonably, that the title transfer will result in either Customer involved in the transfer falling outside of the Balanced Zone prescribed in Appendix "D".

4.2 A title transfer may be carried out through an agent provided that Company receives an executed Notice of Appointment of Agent for Title Transfers, in the form prescribed by Company from time to time, authorizing the agent to act on behalf of the Customers involved in the transfer.

4.3 There will be no charge or fee payable to Company for title transfers under these terms and conditions.

4.3 If Customer fails to comply with paragraph 4.1, and Company fails to obtain Customer compliance of paragraph 4.1 by virtue of implementing paragraph 4.2 for three (3) consecutive Days, Company, in addition to any other remedy it may have, shall be entitled to suspend on two (2) hours ~~written~~ Notice to Customer:

- (i) All or a portion of Service to such Customer, provided however such suspension shall not relieve Customer of its obligation to pay any rate, toll charge or other amount payable to Company; and
- (ii) Customer's access to any electronic tool that allows Customer to transact business on Company's Facilities, provided however such suspension shall not relieve Customer of its obligation to pay any rate, toll charge or other amount payable to Company.

5.0 DISCRETION

5.1 For any Day, other than a Day when subparagraph 6.1(ii) applies, a Customer's Inventory may be outside the Balanced Zone by an amount equal to the sum of the following:

- (i) The difference between the estimated extrapolated physical receipt flow at 16:00 (Calgary clock time) and the finalized physical receipt quantity at the end of such Day;
- (ii) The difference between the forecasted extraction quantities as provided to Company by the Extraction Plants, at 16:00 (Calgary clock time) and the extraction quantities as provided to Company by the Extraction Plants, at the end of such Day;
- (iii) Historical changes that are applied by Company to Customer's Inventory during the Day; and

- 6.4** Notwithstanding paragraphs 6.2 and 6.3 Customer shall continue to comply with paragraph 4.1.
- 6.5** If an ERC Event (as defined in Appendix "G" of the Tariff) or Force Majeure (as set out in Article 12.0 of the General Terms & Conditions of the Tariff) occurs, and Company determines, in its sole discretion, that the Pipeline Tolerance Level must be changed for the safe and effective operation of the Facilities, Company may, notwithstanding paragraphs 6.2 and 6.3, immediately change the Pipeline Tolerance Level to a level determined by Company. Customer's Inventory shall be within Customer's changed Balanced Zone within twenty-four (24) hours from the effective time of the revised Pipeline Tolerance Level as posted by Company on ~~its the electronic bulletin board~~ EBB Website.

7.0 NIT ONLY CUSTOMERS

- 7.1** Notwithstanding anything contained in this Appendix, a Customer who does not have any physical receipt quantities or any physical delivery quantities, excluding Total Quantity in relation to storage facilities, shall not be entitled to a Balanced Zone and must balance to zero (0) at the end of each Day.
- 7.2** If on any Day, Company determines such Customer did not balance to zero (0) at the end of such Day, Company shall be entitled to cancel all or a portion of any title transfer(s) set out in NIT List, as Company determines necessary to ensure Customer balances to zero (0). If Customer has not provided Company with a NIT List, Company shall be entitled to randomly select which title transfer(s) shall be cancelled and/or reduced, commencing with the shortest term of title transfer(s) and excluding title transfers between:
- (a) agency accounts;
 - (b) affiliates; and

- (c) Customers whose marketing and management services are provided by the same entity.

Any title transfer(s) selected by Company to balance a Customer's Inventory with a term longer than one day, shall be deemed to be cancelled for the balance of that term. After such cancellation, Company shall use reasonable efforts to contact and advise the Customer and the counter party to the title transfer that all or a portion of the title transfer has been cancelled.

7.3 If Customer fails to comply with paragraph 7.1 for three (3) consecutive Days, Company, in addition to any other remedy it may have, shall be entitled to suspend on two (2) hours ~~written~~ Notice to Customer:

- (i) All or a portion of Service to such Customer, provided however such suspension shall not relieve Customer of its obligation to pay any rate, toll charge or other amount payable to Company; and
- (ii) Customer's access to any electronic tool that allows Customer to transact business on Company's Facilities, provided however such suspension shall not relieve Customer of its obligation to pay any rate, toll charge or other amount payable to Company.

8.0 ADMINISTRATION OF CUSTOMER'S INVENTORIES AT MONTH END

8.1 On one (1) occasion each month Company, using the Total Quantity and allocation of Total Quantity for each of Customer's Receipt Points and Delivery Points on the pipeline system, will determine Customer's Inventory for each Customer receiving Service in the Billing Month. Company's monthly determination of Customer's Inventory will incorporate the revision of any allocation of Flow provided to Company in respect of any prior period and the reallocation of the Flow among Customers.

8.2 Company will ~~notify~~ give Notice to a Customer if such Customer's Inventory is negative. A Customer may reduce such negative amount through one (1) or a series of inventory transfers carried out in accordance with Company's Terms and Conditions Respecting Title Transfers. If Customer does not reduce such negative Customer's Inventory through title transfers then such negative amount shall be subtracted from Customer's Inventory each Day at a rate equivalent to the greater of:

- (i) the absolute value of one thirtieth ($1/30^{\text{th}}$) of such negative amount; and
- (ii) 100 GJ.

8.3 Company will ~~notify~~ give Notice to Customer if such Customer's Inventory is positive. A Customer may reduce such positive amount through one (1) or a series of inventory transfers carried out in accordance with Company's Terms and Conditions Respecting Title Transfers. If Customer does not reduce such positive Customer's Inventory through title transfers then such positive amount shall be added to Customer's Inventory each Day at a rate equivalent to the greater of:

- (i) one thirtieth ($1/30^{\text{th}}$) of such amount; and
- (ii) 100 GJ.

9.0 CUSTOMER'S RESPONSIBILITY

9.1 Customer is responsible to comply with this Appendix twenty four (24) hours a Day, even if Company is unable to contact Customer on such Day.

**NOTICE SCHEDULE
FOR ELECTRONIC COMMERCE**

As of the following dates, Company will only accept the following ~~Not~~ices via ~~EBB~~the Website.

Nominations ¹	February 1, 1999
Title Transfers	February 1, 1999

As of the following dates, Company will provide the following ~~n~~otices only via ~~EBB~~the Website.

Bill	October 1, 2006
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Note 1: Nominations for the purposes of this ~~n~~otice schedule shall mean a request for gas to be received into Company's Facilities at a field Receipt Point.

Effective Date: ~~April 29, 2009~~

4.0 MANAGEMENT OF THE ERC EVENT

4.1 In the event that Company has determined an ERC Event has commenced, then:

- (i) Company will respond initially by diverting gas to the extent possible to interconnecting facilities where operating balance agreements exist and Delivery Points within the Area of Impact;
- (ii) Company will contact CSOs at Receipt Points in the Area of Impact and request Flow reductions to such volume as Company and CSO may agree to;
- (iii) Company will use reasonable efforts to ~~notify~~ give Notice to Customers, within two hours from the commencement of the ERC Event, of the ERC Event and the estimated Area of Impact through ~~Company's electronic bulletin board~~ the Website;
- (iv) Company will ~~forward an ERC GS072 allocation form (which sets out the Allocations) to all permit CSOs at all Receipt Points in the Area of Impact and the CSO will complete and return such form, to update the Allocation during the ERC Event, if necessary, using the CSO confirmation form posted on the Website within four (4) hours of CSOs requested effective time; and~~
- (v) Company will not allow Nomination increases at Receipt Points in the Area of Impact during the ERC Event.

4.2 Each Customer at Receipt Points in the Area of Impact shall be responsible for managing its daily Customer's Inventories in accordance with Appendix "D" of the Tariff.

4.3 CSOs shall within three business days after the termination of the ERC Event:

- (i) review the "operators' daily reports posted on the Website; Daily Common Stream Operator Report" (GS071); and

(ii) ~~notify~~give Notice to Company of any Receipt Point measurement variance.

4.4 If CSOs fail to ~~notify~~give Notice to Company of any measurement variances in accordance with paragraph 4.3, Company shall use the unfinalized custody transfer measurement set out in the ~~GS071~~operators' daily reports posted on the Website to determine the ERC Energy in accordance with paragraph 5.3.

5.0 DETERMINATION OF ERC ADJUSTMENT

5.1 Upon termination of the ERC Event, Company shall determine the ERC Adjustment for each Customer and Company shall apply the ERC Adjustment as a separate line item to the Customer's bill for Service two months following the month in which the ERC Event terminated. If Customer's ERC Adjustment is a negative amount, the Customer shall receive a credit for such amount on its bill for Service. If Customer's ERC Adjustment is a positive amount, the Customer shall receive a debit for such amount on its bill for Service and Customer shall pay such amount in accordance with Article 5.0 of the General Terms and Conditions of the Tariff. The aggregate of all ERC Adjustment debits for all Customers shall equal the aggregate of all ERC Adjustment credits for all Customers for the ERC Event.

5.2 Company's records shall form the sole basis for determining the ERC Adjustments. For the purpose of the ERC Adjustments, Flows shall be based on unfinalized custody transfer measurement as measured by Company and the daily allocation.

5.3 Calculation of ERC Energy

The aggregate ERC Energy for each Customer at all Receipt Points in the Area of Impact shall be equal to the sum of the ERC Energy for such Customer at each Receipt Point in the Area of Impact. The ERC Energy for each Customer at each Receipt Point shall be determined as follows:

2.3 Excess CO₂ delivered to the System is not expected to exceed 600 10³m³/d (21.3 MMcf/d). Should Company expect that the contracted volume of Excess CO₂ under the Service will exceed 600 10³m³/d (21.3 MMcf/d), Company shall provide ~~an~~ Notice to the Toll, Tariff, Facilities & Procedures Committee (“TTFP”) to initiate a review of the CO₂ Management Service to determine the effect of Service on Customers, producers and end-users. Within 90 days of the commencement of the TTFP review, Company on behalf of the TTFP will advise the Board of any required changes to the Service to ensure the Service will not have an impact on the commingled gas stream that has unintended consequential and a material adverse economic consequence on Customers, producers or end-users. In the event that the TTFP can not reach resolution on issues related to the CO₂ Management Service, Company on behalf of the TTFP will provide a report to the Board identifying such issues and seek Board direction. Company will continue to operate, offer and contract for the CO₂ Management Service during this time.

2.4 Should the contracted volume of Excess CO₂ under the Service continue to increase beyond 600 10³m³/d (21.3 MMcf/d), the TTFP will conduct similar reviews at increments of 100 10³m³/d (3.6 MMcf/d) unless otherwise agreed to by the TTFP or directed by the Board.

3.0 CO₂ RECEIPT ZONE

3.1 If, while providing the CO₂ Management Service, natural gas volumes containing CO₂ greater than 2% are expected to be delivered to a CPO and Company is satisfied that the CPO or its customers would experience a demonstrated material adverse impact, Company may designate a CO₂ Receipt Zone (“CRZ”) or arrange another alternative with the CPO at an Alberta Delivery Point or an Extraction Delivery Point. A material adverse impact is defined as a quantifiable cost to an industrial process (that uses natural gas as a feedstock) that would experience a material efficiency degradation or detriment of material economic consequence resulting from the receipt of gas containing CO₂ concentrations in excess of 2%. This applies only to the CO₂ concentrations in excess of 2% on a monthly average basis and does not include short-term upset conditions caused

4.0 CO₂ EXTRACTION

- 4.1 Company will contract for CO₂ extraction to physically remove CO₂ from the gas stream. Company has two options available for contracting CO₂ extraction. The first option is to extract CO₂ from the gas upstream of the Receipt Point. The second option involves extracting CO₂ from gas that has already entered the System by removing gas from the System, extracting the CO₂ and returning the gas to the System. In either case, Company will contract only for CO₂ to be extracted from the gas. Under the second option, the CO₂ Management Service will not enable the removal of natural gas liquids (“NGLs”) from the gas stream except for those trace amounts of NGLs removed through the normal CO₂ extraction process.
- 4.2 Subject to the Service Cap, Company will contract for CO₂ extraction along the same flow path, upstream, downstream or in parallel, to the Receipt Point where natural gas containing Excess CO₂ is delivered on the System, provided such parallel stream converges upstream of major nodes. Company will contract for such CO₂ extraction to reasonably ensure the commingled gas stream at major nodes, such as Cochrane Junction or Empress, contains no more CO₂ than if natural gas at Receipt Points conforms to the 2% CO₂ specification. Major nodes, as determined by Company (acting reasonably), are points on the Company’s mainline outside of a defined CRZ where large volumes of natural gas from multiple Receipt Points on the upstream flow path are delivered or flow through and where industrial processes would experience a material efficiency degradation or detriment of a material economic consequence. Mainlines, for the purpose of defining flow paths, are generally pipelines of NPS 24 (609.6 mm) diameter or greater. Company will use reasonable efforts to apportion the CO₂ Service Cap among flow paths in proportion to the Excess CO₂ volumes that are received on the various flow paths.
- 4.3 Company will strive to obtain low cost extraction under optimally flexible contract terms and conditions such as ability to renew, terminate, and vary contract volumes on short ~~notice~~Notice.

- (i) continuation of such Service may cause injury, damage to or interfere with the operation or integrity of the Facilities; or
- (ii) carbon dioxide extraction service is no longer available to Company on terms and conditions satisfactory to Company; or
- (iii) the gas received by Company from Customer at Customer's Receipt Point exceeds the Maximum Carbon Dioxide Volume applicable to such Schedule of Service.

5.3 Notification of Suspension of Service

If Company determines to suspend Customer's Service under any Schedule of Service for Service under Rate Schedule CO₂ pursuant to paragraph 5.2, Company shall provide to Customer at least seven (7) days prior ~~written~~ Notice of such suspension, provided however that any such suspension shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.

5.4 Term of Service Agreement

Customer's Service Agreement shall terminate on the latest Service Termination Date of Customer's Schedules of Service for Service under Rate Schedule CO₂.

6.0 TRANSFER OF SERVICE

- 6.1** A Customer entitled to receive Service under Rate Schedule CO₂ shall not be entitled to transfer all or any portion of Service under Rate Schedule CO₂ to any other Receipt Point.

7.0 RENEWAL OF SERVICE

7.1 Company may in its sole discretion allow Customer to renew Service under Rate Schedule CO₂ on terms and conditions mutually satisfactory to Company and Customer.

7.2 Renewal Notification

Customer shall advise Company of its desire to renew all or any portion of Service under a Schedule of Service under Rate Schedule CO₂ by providing ~~written~~ nNotice to Company of such desire for renewal at least six (6) months prior to the Service Termination Date. If Customer does not provide such ~~n~~nNotice, the Service shall expire on the Service Termination Date.

Any renewal of Service is subject to the Financial Assurances provisions in Article 10 of the General Terms and Conditions

8.0 APPLICATION FOR SERVICE

8.1 Applications for Service under this Rate Schedule CO₂ shall be in such form as Company may prescribe from time to time.

9.0 GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of the Tariff and the provisions of any Service Agreement for Service under Rate Schedule CO₂ are applicable to Rate Schedule CO₂ to the extent that such terms and conditions and provisions are not inconsistent with this Rate Schedule.

-
4. Customer agrees to pay to Company each Billing Month, for all Service rendered under this Service Agreement, an amount equal to the aggregate charges for Service described in Rate Schedule CO₂.
5. Customer shall:
- (a) provide such assurances and information as Company may reasonably require respecting any Service to be provided pursuant to this Rate Schedule CO₂ including, without limiting the generality of the foregoing, an assurance that necessary arrangements have been made among Customer, producers of gas for Customer, purchasers of gas from Customer and any other Person relating to such Service, including all gas purchase, gas sale, operating, processing and common stream arrangements; and
 - (b) at Company's request provide Company with an assurance that Customer has provided the Person operating facilities upstream of any Receipt Point in respect of which Customer has the right to receive service with all authorizations necessary to enable such Person to provide Company with all data and information reasonably requested by Company for the purpose of allocating volumes of gas received by Company among Company's Customers and to bind Customer in respect of all such data and information provided.

If Customer fails to provide such assurances and information forthwith following request by Company, from time to time, Company may at its option, to be exercised by ~~n~~Notice to Customer, suspend the Service to which such assurances and information relate until such time as Customer provides the assurances and information requested, provided however that any such suspension of Service shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.

6. Customer acknowledges that the Facilities have been designed based on certain assumptions and forecasts described each year in Company's Annual Plan, and that interruption and curtailment of Service may occur if the aggregate gas volume actually received or the aggregate gas volume actually delivered at the Facilities is different than forecast.

7. Every notice, request, demand, statement, bid or bill (~~for the purpose of this paragraph, collectively referred to as "Notice"~~) provided for in Rate Schedule CO₂, this Service Agreement and the General Terms and Conditions, or any other notice which either Company or Customer may desire to give to the other (collectively referred to as "Notice") shall be in writing and each of them and every payment provided for shall be directed to the Person to whom given, made or delivered at such Person's address as follows:

Customer:

-
-
-
- Attention: •
- Fax: •

Company:

-
-
-
- Attention: Customer Account Representative
- Fax: •

Notice may be given by fax or other telecommunication and any such Notice shall be deemed to be given four (4) hours after transmission. Notice may also be given by personal delivery or by courier and any such Notice shall be deemed to be given at the time of delivery. Any Notice may also be given by prepaid mail and any such Notice shall be deemed to be given four (4) business days after mailing, Saturdays, Sundays and statutory holidays excepted. In the event of disruption of regular mail, every payment not made electronically shall be personally delivered, and any other Notice shall be given by one of the other stated means.

(a) Notwithstanding the foregoing:

(i) Company may give any Notice on the Website; and

(ii) Company and Customer shall give Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff via the Website unless the Website is inoperative, in which case Notice shall be given by any other alternative means set out herein.

~~Any Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff shall be given via EBB. Company shall not accept or provide any such Notice for those matters listed in Appendix "F" via any other alternative means, unless the EBB is inoperative or Customer is unable to establish connection with the EBB, in which case Notice shall be given by any other alternative means set out herein.~~

~~Any Notice given by posted on the EBB Website shall be deemed to be given one (1) hour after transmission posting.~~

(b) ~~Any~~ Notice may also be given by telephone followed immediately by EBB, fax, personal delivery, courier or prepaid mail, and in the case of Company, by posting on the Website, and any Notice so given shall be deemed to have been given as of the date and time of the telephone notice Notice.

4.2 Term of Service Agreement

Customer's Service Agreement shall terminate on the latest Service Termination Date of Customer's Schedules of Service for Service under Rate Schedule FCS.

5.0 SERVICE RELEASE

- 5.1 If Customer desires to release all of its Service under any Schedule of Service under Rate Schedule FCS, Customer shall ~~notify~~ give Notice to Company of its request to release such Service describing the location and nature of the reduction in Service requested. Company shall not have any obligation to find any Person to assume such Service. If after ~~an~~ Notice is given to Company a Person is found who agrees to assume such Service, Company may allow Customer to release such Service to the extent that such Service is provided for in a Service Agreement and Schedule of Service under Rate Schedule FCS executed by Company and such Person.

6.0 PAYMENT ON RETIREMENT OF FACILITIES

- 6.1 In the event that there remains on Company's books of account any net book value in respect of Facilities, other than Extension Facilities (as defined in Attachment 1), used in providing Service under any Schedule of Service under this Rate Schedule FCS either:
- (i) at the Service Termination Date described in the Schedule of Service in respect of a particular Service; or
 - (ii) at the expiry of a period of six (6) months where the Facilities which would be used to provide such Service have not been used; and

5. Customer shall:
- (a) provide such assurances and information as Company may reasonably require respecting any Service to be provided pursuant to this Rate Schedule FCS including, without limiting the generality of the foregoing, an assurance that all necessary arrangements have been made among Customer, producers of gas for Customer, purchasers of gas from Customer and any other Person relating to such Service, including all gas purchase, gas sale, operating, processing and common stream arrangements; and
 - (b) at Company's request provide Company with an assurance that Customer has provided the Person operating facilities upstream of any Receipt Point or downstream of any Delivery Point in respect of which Customer has the right to receive service with all authorizations necessary to enable such Person to provide Company with all data and information reasonably requested by Company for the purpose of allocating volumes of gas received or delivered by Company among Company's Customers and to bind Customer in respect of all such data and information provided.

If Customer fails to provide such assurances and information forthwith following request by Company from time to time, Company may at its option, to be exercised by ~~notice~~ Notice to Customer, suspend the Service to which such assurances and information relate until such time as Customer provides the assurances and information requested, provided however that any such suspension of Service shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.

6. Every notice, request, demand, statement, bid or bill (~~for the purposes of this paragraph, collectively referred to as "Notice"~~) provided for in Rate Schedule FCS, this Service Agreement and the General Terms and Conditions, or any other notice which either Company or Customer may desire to give to the other (collectively referred to as "Notice") shall be in writing and each of them and every payment provided for shall be

directed to the Person to whom given, made or delivered at such Person's address as follows:

Customer:

-
-
-

Attention: •

Fax: •

Company:

-
-
-

Attention: Customer Account Representative

Fax: •

Notice may be given by fax or other telecommunication and any such Notice shall be deemed to be given four (4) hours after transmission. Notice may also be given by personal delivery or by courier and any such Notice shall be deemed to be given at the time of delivery. Any Notice may also be given by prepaid mail and any such Notice shall be deemed to be given four (4) business days after mailing, Saturdays, Sundays and statutory holidays excepted. In the event of disruption of regular mail, every payment not made electronically shall be personally delivered, and any other Notice shall be given by one of the other stated means.

(a) Notwithstanding the foregoing:

(i) Company may give any Notice on the Website; and

(ii) Company and Customer shall give Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff via the Website unless the Website is inoperative, in which case Notice shall be given by any other alternative means set out herein.

~~Any Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff shall be given via EBB. Company shall not accept or provide any such Notice for those matters listed in Appendix "F" via any other alternative means, unless the EBB is inoperative or Customer is unable to establish connection with the EBB, in which case Notice shall be given by any other alternative means set out herein.~~

~~Any Notice given by posted on the EBB Website shall be deemed to be given one (1) hour after transmission posting.~~

(b) ~~Any~~ Notice may also be given by telephone followed immediately by ~~EBB~~, fax, personal delivery, courier or prepaid mail, and in the case of Company, by posting on the Website, and any Notice so given shall be deemed to have been given as of the date and time of the telephone ~~n~~Notice.

7. The terms and conditions of Rate Schedule FCS, the General Terms and Conditions and Schedule of Service under Rate Schedule FCS are by this reference incorporated into and made a part of this Service Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Service Agreement by their proper signing officers duly authorized in that behalf all as of the • day of •, •.

•	NOVA Gas Transmission Ltd.
Per: _____	Per : _____
Per: _____	Per : _____

5.4 Term of Service Agreement

Customer's Service Agreement shall terminate on the latest Service Termination Date of Customer's Schedules of Service for Service under Rate Schedule FT-P.

6.0 CAPACITY RELEASE

6.1 A Customer entitled to receive Service under Rate Schedule FT-P shall not be entitled to reduce Customer's FT-P Contract Demand for all or any portion of its Service under a Schedule of Service under Rate Schedule FT-P.

7.0 TRANSFER OF SERVICE

7.1 If Customer desires to transfer all or any portion of Service under a Schedule of Service from one Receipt Point to another Receipt Point set out in the same Schedule of Service, Customer shall ~~notify~~ give Notice to Company of Customer's request for such transfer specifying the Receipt Points, the Schedule of Service and the portion of the Receipt Contract Demand that Customer wishes to transfer.

7.2 Company is under no obligation to permit the transfer requested in paragraph 7.1, but may permit such transfer provided that:

- (i) such Receipt Points are set out in the same Schedule of Service for Service under Rate Schedule FT-P;
- (ii) Company determines that sufficient capacity exists in the Facilities to accommodate the transfer;

- (iii) Company determines that the construction or installation of new Facilities that are directly attributable to the transfer is not required; and
- (iv) Customer executes new Schedules of Service.

8.0 TERM SWAPS

- 8.1** A Customer entitled to receive Service under Rate Schedule FT-P shall not be entitled to swap the Service Termination Date of any Schedule of Service under Rate Schedule FT-P with the Service Termination Date under any Schedule of Service.

9.0 TITLE TRANSFERS

- 9.1** A Customer entitled to receive Service under Rate Schedule FT-P shall not be entitled to transfer or accept a transfer of Customers' inventory to or from any other Customer's Account.

10.0 RENEWAL OF SERVICE

10.1 Renewal Notification

Customer shall be entitled to renew all or any portion of Service under a Schedule of Service under Rate Schedule FT-P as Service under either Rate Schedule FT-P or Rate Schedule FT-R, provided Customer gives nNotice to Company of such renewal at least one (1) year prior to the Service Termination Date. If Customer does not specify which Rate Schedule the Service is to be renewed under, the Service shall be renewed under Rate Schedule FT-P. If Customer does not provide such nNotice, the Service shall expire on the Service Termination Date.

10.2 Irrevocable Notice

Customer's ~~n~~Notice shall be irrevocable one (1) year prior to the Service Termination Date.

Any renewal of Service is subject to the Financial Assurances provisions in Article 10 of the General Terms and Conditions.

10.3 Renewal Term

Customer's ~~n~~Notice shall specify a renewal term of not less than one (1) year consisting of increments of whole months. The Price Point for the renewal term shall be determined in the manner described in paragraph 3.2 based on the length of the renewal term requested by Customer.

11.0 ACCOUNT BALANCE

11.1 Notwithstanding paragraph 4 and 5 of the "Terms and Conditions Respecting Customer's Inventories and Related Matters" in Appendix "D" of the Tariff, Company will (if required) once each Day and once each month balance each FT-P Customer Account to zero.

12.0 APPLICATION FOR SERVICE

12.1 Applications for Service under this Rate Schedule FT-P shall be in such form as Company may prescribe from time to time.

5. Customer shall:
- (a) provide such assurances and information as Company may reasonably require respecting any Service to be provided pursuant to this Rate Schedule FT-P including, without limiting the generality of the foregoing, an assurance that necessary arrangements have been made among Customer, producers of gas for Customer, purchasers of gas from Customer and any other Person relating to such Service, including all gas purchase, gas sale, operating, processing and common stream arrangements; and
 - (b) at Company's request provide Company with an assurance that Customer has provided the Person operating facilities upstream of any Receipt Point in respect of which Customer has the right to receive service with all authorizations necessary to enable such Person to provide Company with all data and information reasonably requested by Company for the purpose of allocating volumes of gas received by Company among Company's Customers and to bind Customer in respect of all such data and information provided.

If Customer fails to provide such assurances and information forthwith following request by Company, from time to time, Company may at its option, to be exercised by ~~an~~ Notice to Customer, suspend the Service to which such assurances and information relate until such time as Customer provides the assurances and information requested, provided however that any such suspension of Service shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.

6. Customer acknowledges that the Facilities have been designed based on certain assumptions and forecasts described each year in Company's Annual Plan, and that interruption and curtailment of Service may occur if the aggregate gas volume actually

received or the aggregate gas volume actually delivered at the Facilities is different than forecast.

7. Every notice, request, demand, statement, bid or bill (~~for the purpose of this paragraph, collectively referred to as “Notice”~~) provided for in Rate Schedule FT-P, this Service Agreement and the General Terms and Conditions, or any other notice which either Company or Customer may desire to give to the other (collectively referred to as “Notice”) shall be in writing and each of them and every payment provided for shall be directed to the Person to whom given, made or delivered at such Person's address as follows:

Customer:

- -
 -
- Attention: •
- Fax: •

Company:

- -
 -
- Attention: Customer Account Representative
- Fax: •

Notice may be given by fax or other telecommunication and any such Notice shall be deemed to be given four (4) hours after transmission. Notice may also be given by personal delivery or by courier and any such Notice shall be deemed to be given at the time of delivery. Any Notice may also be given by prepaid mail and any such Notice shall be deemed to be given four (4) business days after mailing, Saturdays, Sundays and

statutory holidays excepted. In the event of disruption of regular mail, every payment not made electronically shall be personally delivered, and any other Notice shall be given by one of the other stated means.

(a) Notwithstanding the foregoing:

(i) Company may give any Notice on the Website; and

(ii) Company and Customer shall give Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff via the Website unless the Website is inoperative, in which case Notice shall be given by any other alternative means set out herein.

~~Any Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff shall be given via EBB. Company shall not accept or provide any such Notice for those matters listed in Appendix "F" via any other alternative means, unless the EBB is inoperative or Customer is unable to establish connection with the EBB, in which case Notice shall be given by any other alternative means set out herein.~~

~~Any Notice given by posted on the EBB Website shall be deemed to be given one~~

~~(1) hour after transmission posting.~~

(b) ~~Any~~ Notice may also be given by telephone followed immediately by ~~EBB~~, fax, personal delivery, courier or prepaid mail, and in the case of Company, by posting on the Website, and any Notice so given shall be deemed to have been given as of the date and time of the telephone ~~h~~Notice.

8. The terms and conditions of Rate Schedule FT-P, the General Terms and Conditions and Schedule of Service under Rate Schedule FT-P are by this reference incorporated into and made a part of this Service Agreement.

- (b) a Secondary Term equal to the Secondary Term requested by Customer with the minimum Secondary Term being three (3) years.

5.2 The Price Point for the term shall be determined in the manner described in paragraph 3.2.

5.3 If the number of years calculated for the Primary Term exceeds fifteen (15) years the Primary Term shall be fixed at fifteen (15) years and a Surcharge, determined under the Criteria for Determining Primary Term in Appendix “E” of the Tariff, shall be applied in respect of such Service.

5.4 Term of Service Agreement

Customer’s Service Agreement shall terminate on the latest Service Termination Date of Customer’s Schedules of Service for Service under Rate Schedule FT-R.

6.0 CAPACITY RELEASE

6.1 If Customer desires a reduction of Customer’s Receipt Contract Demand for all or any portion of its Service under a Schedule of Service under Rate Schedule FT-R, Customer shall ~~notify~~give Notice to Company of its request for such reduction specifying the particular Receipt Point, Schedule of Service and the Receipt Contract Demand available to any other Person who requires Service under Rate Schedule FT-R. Company shall not have any obligation to find any Person to assume the Receipt Contract Demand Customer proposes to make available. If after ~~notice~~Notice is given to Company a Person is found who agrees to assume the Receipt Contract Demand Customer proposes to make available, together with any applicable Surcharge, Company may reduce Customer's Receipt Contract Demand under such Schedule of Service, on terms and conditions satisfactory to Company, by an amount equal to the Receipt Contract Demand specified

in a new Schedule of Service, executed by Company and such Person. Notwithstanding such reduction, Customer shall at Company's sole option either:

- (i) continue to pay any Surcharge until the Service Termination Date as described in the applicable Schedule of Service (unless any other Person acceptable to Company has agreed to pay such Surcharge); or
- (ii) in the event that Company retires any Facilities required to provide such Service, pay to Company within a time determined by Company, an amount equal to the net book value of such Facilities adjusted for all costs and expenses associated with such retirement.

7.0 RELIEF FOR MAINLINE RESTRICTIONS

7.1 Company will grant relief to a Customer entitled to Service under Rate Schedule FT-R, in accordance with the Terms and Conditions Respecting Relief for Mainline Capacity Restrictions in Appendix “B” of the Tariff.

8.0 TRANSFER OF SERVICE

8.1 Transfers Between Receipt Points Within the Same Project Area

If Customer desires to transfer all or any portion of Service under a Schedule of Service from a Receipt Point within a Project Area to a Receipt Point within the same Project Area, Customer shall ~~notify~~ give Notice to Company of Customer's request for such transfer specifying the Receipt Points, the Schedule of Service and the portion of the Receipt Contract Demand that Customer wishes to transfer.

8.2 Company is under no obligation to permit the transfer requested in paragraph 8.1, but may permit such transfer provided that:

- (i) Company determines that sufficient capacity exists in the Facilities to accommodate the transfer;
- (ii) Company determines that the construction or installation of new Facilities that are directly attributable to the transfer is not required;
- (iii) the transfer does not occur during the Primary Term of the Schedule of Service;
- (iv) the Price Point in effect for Service under the Schedule of Service, from which Customer wishes to transfer Service at the time of the transfer, applies to the new Schedule of Service for the Service that has been transferred;
- (v) the FT-R Demand Rate applicable to Service under the Schedule of Service that has been transferred shall be the FT-R Demand Rate in effect at the Receipt Point to which the Service under the Schedule of Service has been transferred; and
- (vi) Customer executes a transfer of Service agreement.

8.3 Transfers Between Receipt Points in Different Project Areas

If Customer desires to transfer all or any portion of Service under a Schedule of Service from a Receipt Point within a Project Area to a Receipt Point in a different Project Area, Customer shall ~~notify~~ give Notice to Company of Customer's request for such transfer specifying the Receipt Points, the Schedule of Service and the portion of the Receipt Contract Demand that Customer wishes to transfer.

8.4 Company is under no obligation to permit the transfer requested in paragraph 8.3, but may permit such transfer provided that:

9.0 TERM SWAPS

9.1 Term Swap Between Receipt Points Within the Same Project Area

If Customer desires to swap the Service Termination Date of a Schedule of Service with the Service Termination Date of another Schedule of Service and the Receipt Points for the Schedules of Service are within the same Project Area, Customer shall ~~notify~~give Notice to Company of Customer's request for such swap specifying the particular Receipt Points, the Service Termination Dates and the Schedules of Service, if necessary, that Customer wishes to swap.

9.2 Company is under no obligation to permit the swap requested in paragraph 10.1, but may permit such swap provided that:

- (i) Company determines that sufficient capacity exists in the Facilities to accommodate the swap;
- (ii) Company determines that the construction or installation of new Facilities that are directly attributable to the swap is not required;
- (iii) the swap does not occur during the Primary Term of the Schedule of Service;
- (iv) the Receipt Contract Demand and the FT-R Demand Rate;
 - (a) at each Receipt Point; and
 - (b) for each Service Termination Datedo not change as a result of the swap;
- (v) the Price Point in effect for each Schedule of Service after the swap shall be the Price Point in effect for the other Schedule of Service immediately prior to the time the Service Termination Dates were swapped; and

- (vi) Customer executes new Schedules of Service.

9.3 Term Swaps Between Receipt Points in Different Project Areas

If Customer desires to swap the Service Termination Date of a Schedule of Service with the Service Termination Date of another Schedule of Service and the Receipt Points for the Schedules of Service are in different Project Areas, Customer shall ~~notify~~ give Notice to Company of Customer's request for such swap specifying the particular Receipt Points, the Service Termination Dates and the Schedules of Service, if necessary, that Customer wishes to swap.

- 9.4 Company is under no obligation to permit the swap requested in paragraph 10.3, but may permit such swap provided that:

- (i) Company determines that sufficient capacity exists in the Facilities to accommodate the swap;
- (ii) Company determines that the construction or installation of new Facilities that are directly attributable to the swap is not required;
- (iii) the swap does not occur during the Primary Term of the Schedule of Service;
- (iv) the Receipt Contract Demand and the FT-R Demand Rate:
 - (a) at each Receipt Point; and
 - (b) for each Service Termination Datedo not change as a result of the swap;
- (v) subject to subparagraph 9.4(vi), the Price Point in effect for each Schedule of Service after the swap shall be the Price Point in effect for the other Schedule of

11.0 RENEWAL OF SERVICE

11.1 Renewal Notification

Customer shall be entitled to renew all or any portion of Service under a Schedule of Service under Rate Schedule FT-R as Service under either Rate Schedule FT-R or Rate Schedule FT-P, if Customer gives ~~notice~~Notice to Company of such renewal at least one (1) year prior to the Service Termination Date. If Customer does not specify which Rate Schedule the Service is to be renewed under, the Service shall be renewed under Rate Schedule FT-R. If Customer does not provide such ~~notice~~Notice, the Service shall expire on the Service Termination Date.

11.2 Irrevocable Notice

Customer's ~~notice~~Notice to renew pursuant to paragraph 11.1 shall be irrevocable one (1) year prior to the Service Termination Date.

Any renewal of Service is subject to the Financial Assurances provisions in Article 10 of the General Terms and Conditions.

11.3 Renewal Term

Customer's ~~notice~~Notice shall specify a renewal term of not less than one (1) year consisting of increments of whole months. The Price Point for the renewal term shall be determined in the manner described in paragraph 3.2 based on the length of the renewal term requested by Customer.

5. Customer shall:
- (a) provide such assurances and information as Company may reasonably require respecting any Service to be provided pursuant to this Rate Schedule FT-R including, without limiting the generality of the foregoing, an assurance that necessary arrangements have been made among Customer, producers of gas for Customer, purchasers of gas from Customer and any other Person relating to such Service, including all gas purchase, gas sale, operating, processing and common stream arrangements; and
 - (b) at Company's request provide Company with an assurance that Customer has provided the Person operating facilities upstream of any Receipt Point in respect of which Customer has the right to receive service with all authorizations necessary to enable such Person to provide Company with all data and information reasonably requested by Company for the purpose of allocating volumes of gas received by Company among Company's Customers and to bind Customer in respect of all such data and information provided.

If Customer fails to provide such assurances and information forthwith following request by Company, from time to time, Company may at its option, to be exercised by ~~notice~~Notice to Customer, suspend the Service to which such assurances and information relate until such time as Customer provides the assurances and information requested, provided however that any such suspension of Service shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.

6. Customer acknowledges that the Facilities have been designed based on certain assumptions and forecasts described each year in Company's Annual Plan, and that interruption and curtailment of Service may occur if the aggregate gas volume actually

received or the aggregate gas volume actually delivered at the Facilities is different than forecast.

7. Every notice, request, demand, statement, bid or bill (~~for the purpose of this paragraph, collectively referred to as “Notice”~~) provided for in Rate Schedule FT-R, this Service Agreement and the General Terms and Conditions, or any other notice which either Company or Customer may desire to give to the other (collectively referred to as “Notice”) shall be in writing and each of them and every payment provided for shall be directed to the Person to whom given, made or delivered at such Person's address as follows:

Customer:

- -
 -
- Attention: •
- Fax: •

Company:

- -
 -
- Attention: Customer Account Representative
- Fax: •

Notice may be given by fax or other telecommunication and any such Notice shall be deemed to be given four (4) hours after transmission. Notice may also be given by personal delivery or by courier and any such Notice shall be deemed to be given at the time of delivery. Any Notice may also be given by prepaid mail and any such Notice shall be deemed to be given four (4) business days after mailing, Saturdays, Sundays and

statutory holidays excepted. In the event of disruption of regular mail, every payment not made electronically shall be personally delivered, and any other Notice shall be given by one of the other stated means.

(a) Notwithstanding the foregoing:

(i) Company may give any Notice on the Website; and

(ii) Company and Customer shall give Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff via the Website unless the Website is inoperative, in which case Notice shall be given by any other alternative means set out herein.

~~Any Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff shall be given via EBB. Company shall not accept or provide any such Notice for those matters listed in Appendix "F" via any other alternative means, unless the EBB is inoperative or Customer is unable to establish connection with the EBB, in which case Notice shall be given by any other alternative means set out herein.~~

~~Any Notice given by posted on the EBB Website shall be deemed to be given one~~

~~(1) hour after transmissionposting.~~

(b) ~~Any~~ Notice may also be given by telephone followed immediately by ~~EBB~~, fax, personal delivery, courier or prepaid mail, and in the case of Company, by posting on the Website, and any Notice so given shall be deemed to have been given as of the date and time of the telephone noticeNotice.

8. The terms and conditions of Rate Schedule FT-R, the General Terms and Conditions and Schedule of Service under Rate Schedule FT-R are by this reference incorporated into and made a part of this Service Agreement.

- 1.21** “Daily Open Season” shall have the meaning attributed to it in subparagraph 2.6.1 of Appendix “A” of the Tariff.
- 1.22** “Daily Open Season Bid Form” shall have the meaning attributed to it in subparagraph 2.6.2(a) of Appendix “A” of the Tariff.
- 1.23** “Day” shall mean a period of twenty-four (24) consecutive hours, beginning and ending at eight hours (08:00) Mountain Standard Time.
- 1.24** “Delivery Demand Charge” shall have the meaning attributed to it in subparagraph 4.2.2 (ii) of Rate Schedule LRS.
- 1.25** “Delivery Point” shall mean the point where gas may be delivered to Customer by Company under a Schedule of Service and shall include but not be limited to Export Delivery Point, Alberta Delivery Point, Extraction Delivery Point and Storage Delivery Point.
- ~~**1.26** “EBB” shall mean Company’s electronic bulletin board.~~
- 1.27** ~~1.26~~ “Effective LRS Rate” shall mean the Effective LRS Rate set forth in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule LRS.
- ~~**1.28** ~~1.27~~ “Eligible LRS Contract Demand” shall have the meaning attributed to it in subparagraph 4.2.1 of Rate Schedule LRS.~~
- ~~**1.29** ~~1.28~~ “Eligible LRS-3 Contract Demand” shall have the meaning attributed to it in subparagraph 4.2.1 of Rate Schedule LRS-3.~~
- ~~**1.30** ~~1.29~~ “Eligible LRS-2 Volume” shall have the meaning attributed to it in subparagraph 4.3.2 of Rate Schedule LRS-2.~~
- ~~**1.31** ~~1.30~~ “Eligible Points to Point Volume” shall mean for each Schedule of Service under Rate Schedule FT-P, the lesser of:~~

1.811.80 “Measurement Variance” shall mean, for any period, after taking into account any adjustment made in accordance with the provisions of paragraph 2.6 of these General Terms and Conditions, the energy equivalent of the amount determined as follows:

$$MV = (A + B + C) - (D + E)$$

Where:

“MV” = the Measurement Variance;

“A” = the energy equivalent of gas determined by Company to have been delivered to all Customers during the period;

“B” = the energy equivalent of the aggregate of the Gas Lost and Gas Used during the period;

“C” = the energy equivalent of Line Pack Gas at the end of the period;

“D” = the energy equivalent of gas determined by Company to have been received from all Customers during the period; and

“E” = the energy equivalent of Line Pack Gas at the beginning of the period.

1.821.81 “MJ” shall mean megajoule, or one million joules.

1.831.82 “Month” or “month” shall mean a period of time beginning at eight hours (08:00) Mountain Standard Time on the first day of a calendar month and ending at eight hours (08:00) Mountain Standard Time on the first day of the next calendar month.

1.841.83 “Nomination” shall mean, with respect to a Receipt Point or a Delivery Point, a request for Flow made on behalf of a Customer.

1.84 “Notice” shall have the meaning attributed to it in the applicable Service Agreement.

Alberta as the reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

1.94 “Project Area” shall mean each of:

- (i) the Peace River Project Area;
- (ii) the North and East Project Area; and
- (iii) the Mainline Project Area,

as described in Company’s current Annual Plan. The Project Areas may be amended from time to time by Company in consultation with the Facility Liaison Committee (or any replacement of it), provided Company has given six (6) months ~~notice~~ Notice of such amendment to its Customers.

1.95 “PT Gas Rate” shall mean the PT Gas Rate in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule PT, based on the incremental gas requirements associated with the Facilities required to provide such Service.

1.96 “PT Rate” shall mean the PT Rate in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule PT, based on the incremental operating costs associated with providing such Service plus ten percent.

1.97 “Rate Schedule” shall mean any of the schedules identified as a “Rate Schedule” included in the Tariff.

1.98 “Ready for Service Date” shall mean the Day designated as such by Company by ~~written~~ Notice to Customer stating that Company has Facilities which are ready for and are capable of rendering the Service applied for by Customer.

1.120 “Website” shall mean Company’s internet site operated by TransCanada PipeLines Limited for Company.

~~1.120~~1.121 “Winter Season” shall mean the period commencing on November 1 of any year and ending on the next succeeding March 31.

2.0 MEASURING EQUIPMENT

2.1 Installation

Company, at its option, may furnish, install, maintain and operate all measuring equipment located at each Receipt Point, Delivery Point or other point where gas is measured.

2.2 Compliance with Standards

Company may use such measuring equipment as it deems appropriate provided that all measuring equipment shall comply with all applicable requirements under the GIA.

2.3 Check Measuring Equipment

Customer may install and operate check measuring equipment provided that such equipment does not interfere with the operation of the Facilities.

2.4 Pulsation Dampening

Customer shall provide or cause to be provided such pulsation dampening equipment as may be necessary to ensure that any facilities upstream of a Receipt Point do not interfere with the operation of the Facilities.

2.5 Verification

The accuracy of Company's measuring equipment shall be tested and verified by Company at such intervals as may be appropriate for such equipment. Reasonable ~~notice~~ Notice of the time and nature of each test shall be given to Customer to permit Customer to arrange for a representative to observe the test and any adjustments resulting from such test. If, after ~~notice~~ Notice, Customer fails to have a representative present, the results of the test shall nevertheless be considered accurate.

2.6 Correction

If at any time any of the measuring equipment is found to be out of service or registering inaccurately with the result that a significant measurement error has occurred, such equipment shall be adjusted as soon as practicable to read as accurately as possible and the readings of such equipment shall be adjusted to correct for such significant error for a period definitely known or agreed upon, or if not known or agreed upon, one-half (1/2) of the elapsed time since the last test. The measurement during the appropriate period shall be determined by Company on the basis of the best data available using the most appropriate of the following methods:

- (a) by using the data recorded by any check measuring equipment if installed and accurately registering;
- (b) by making the appropriate correction if the deviation from the accurate reading is ascertainable by calibration test or mathematical calculation;
- (c) by estimating based on producer measurements; or
- (d) by estimating based on deliveries under similar conditions during a period when the equipment was measuring accurately.

2.7 Expense of Additional Tests

If Customer requests a test in addition to the tests provided for by paragraph 2.5 and if upon testing the deviation from the accurate reading is found to be less than two (2) percent, Customer shall bear the expense of the additional test.

2.8 Inspection of Equipment and Records

Company and Customer shall have the right to inspect measuring equipment installed or furnished by the other, and the charts and other measurement or test data of the other at all times during normal business hours upon reasonable ~~notice~~Notice, but the reading,

-
- (e) shall not contain more than two (2) percent by volume of carbon dioxide unless a valid Service Agreement and Schedule of Service under Rate Schedule CO₂ is executed by Customer and in effect at such Receipt Point;
 - (f) shall not contain more than:
 - (i) sixty-five (65) milligrams of water vapour per one (1) cubic metre; or
 - (ii) forty-eight (48) milligrams of water vapour per one (1) cubic metre if a valid Service Agreement and Schedule of Service under Rate Schedule CO₂ is executed and in effect at such Receipt Point;
 - (g) shall not have a water dew point in excess of minus ten (-10) degrees Celsius at operating pressures greater than eight thousand two hundred seventy five (8275) kPa;
 - (h) shall not exceed forty-nine (49) degrees Celsius in temperature;
 - (i) shall be as free of oxygen as practicable and shall not in any event contain more than four-tenths of one (0.4) percent by volume of oxygen; and
 - (j) shall have a Gross Heating Value of not less than thirty-six (36) megaJoules per cubic metre.

3.2 Nonconforming Gas

- (a) If gas received by Company fails at any time to conform with any of the quality requirements set forth in paragraph 3.1 above, then Company shall ~~notify~~give Notice to Customer of such failure and Company may, at Company's option, refuse to accept such gas pending the remedying of such failure to conform to quality requirements. If the failure to conform is not promptly remedied, Company may accept such gas and may take such steps as Company determines are necessary to ensure that such gas conforms with the quality requirements and

Customer shall reimburse Company for any reasonable costs and expenses incurred by Company.

- (b) Notwithstanding subparagraph 3.2 (a), if gas received by Company fails to conform to the quality requirements set forth in paragraph 3.1 above, Company may at its option immediately suspend the receipt of gas, provided however that any such suspension shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.
- (c) Notwithstanding subparagraphs 3.2 (a) and 3.2 (b), if gas received by Company fails to conform to the quality requirements set forth in subparagraph 3.1(e) above, Company shall ~~notify~~ give Notice to Customer of such failure. If the failure to conform is not remedied by Customer within thirty (30) days, Company shall refuse to accept such gas pending the remedying of such failure, provided however that any such suspension shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.

3.3 Quality Standard of Gas Delivered at Delivery Points

Gas which Company delivers at Delivery Points shall have the quality that results from gas having been transported and commingled in the Facilities.

4.0 MEASUREMENT

4.1 Method of Measurement

Company may make such measurements and calculations and use such procedures as it deems appropriate in determining volume, provided that the measurements and calculations made and the procedures used comply with any applicable requirements under the GIA.

5.0 BILLING AND PAYMENT

5.1 Billing

On or before the twenty-first day of each month, Company shall provide on ~~EBB~~the Website a bill to Customer for Service rendered during the Billing Month. Customer shall furnish such information to Company as Company may require for billing on or before the twenty-first day of the Billing Month.

5.2 Payment

Customer shall make payment to Company in Canadian dollars of its bill on or before the last day of the month following the Billing Month.

5.3 Late Billing

If Company provides a bill after the twenty-first day of a month, then the date for payment shall be that day which is ten (10) days after the day that such bill was provided.

5.4 Interest on Unpaid Amounts

Company shall have the right to charge interest on the unpaid portion of any bill commencing from the date payment was due and continuing until the date payment is actually received, at a rate per annum equal to the Prime Rate plus one (1) percent. The principal and accrued interest to date shall be due and payable immediately upon demand.

5.5 Adjustment Where Bill Estimated

Information used for billing may be actual or estimated. If actual information necessary for billing is unavailable to Company sufficiently in advance of the twenty-first day of the month to permit the use of such information in the preparation of a bill, Company shall use estimated information. In the month that actual information becomes available respecting a previous month where estimated information was used, the bill for the month

in which the actual information became available shall be adjusted to reflect the difference between the actual and estimated information as if such information related to such later month. Neither Company nor Customer shall be entitled to interest on any adjustment.

5.6 Corrections

Notwithstanding any provision contained in this Tariff to the contrary, the correction of an error in a bill for Service provided in a prior month, shall be made to the bill in accordance with the appropriate provision of this Tariff in effect at the time that the error was made. Company shall proceed with such correction in the month following the month that Company confirms the error. In the case of a disputed bill the provisions of paragraph 5.7 shall apply.

5.7 Disputed Bills

5.7.1 In the event Customer disputes any part of a bill, Customer shall nevertheless pay to Company the full amount of the bill when payment is due.

5.7.2 If Customer fails to pay the full amount of any bill when payment is due, Company may upon four (4) Banking Days ~~written~~ Notice immediately suspend any or all Service being or to be provided to Customer provided however that such suspension shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company. If at any time during such suspension Customer pays the full amount payable to Company, Company shall within two (2) Banking Days recommence such suspended Service.

Following suspension, Company may, in addition to any other remedy that may be available to it, upon four (4) Banking Days ~~written~~ Notice to Customer immediately:

- (i) terminate any or all Service being or to be provided to Customer; and

Customer's Inventory for any Customer is not within the Balanced Zone, Company may upon ~~notice~~-Notice suspend all or any portion of Service to Customer until Customer brings Customer's Inventory within the Balanced Zone, provided however that no such suspension shall relieve Customer of its obligation to pay any rate, toll, charge or other amount payable to Company.

9.6 Balancing Procedures

Company may from time to time establish procedures, consistent with the Terms and Conditions Respecting Customer's Inventories and Related Matters set forth in Appendix "D" of the Tariff.

9.7 Limitation on Delivery Obligation

Company shall be obligated to provide only such Service as can be provided through Company's operation of the existing Facilities pursuant to the terms and conditions of the Tariff.

9.8 Uniform Flow Rate

All deliveries of gas to Company at a Receipt Point shall be made in uniform hourly quantities to the extent practicable.

9.9 Emergency Response Compensation Event

If there is an ERC Event, Company shall determine Customer's Final ERC Adjustments in accordance with the Terms and Conditions Respecting Emergency Response Compensation set forth in Appendix "G" of the Tariff.

10.0 FINANCIAL ASSURANCES**10.1 Financial Assurance for Performance of Obligations**

Company may request that Customer (or any assignee) at any time and from time to time provide Company with an irrevocable letter of credit or other assurance acceptable to Company, in form and substance satisfactory to Company and in an amount determined in accordance with paragraph 10.3 (the “Financial Assurance”).

10.2 Failure to Provide Financial Assurance

Company may withhold the provision of new Service until Company has received a requested Financial Assurance.

If Customer fails to provide a requested Financial Assurance to Company within four (4) Banking Days of Company’s request, Company may upon four (4) Banking Days ~~written~~ Notice immediately suspend any or all Service being or to be provided to Customer provided however that any such suspension shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company. If at any time during such suspension Customer provides such Financial Assurance to Company, Company shall within two (2) Banking Days recommence such suspended Service.

If Customer fails to provide such Financial Assurance during such suspension, Company may, in addition to any other remedy that may be available to it, upon four (4) Banking Days ~~written~~ Notice to Customer immediately:

- (i) terminate any or all Service being or to be provided to Customer; and
- (ii) declare any and all amounts payable now or in the future by Customer to Company for any and all Service to be immediately due and payable as liquidated damages and not as a penalty.

10.3 Amount of Financial Assurance

The maximum amount of Financial Assurance Company may request from a Customer (or assignee) shall be as determined by Company an amount equal to:

- (i) for the provision of all Services, other than for Service referred to in paragraph (ii), the aggregate of all rates, tolls, charges or other amounts payable to Company for a period of seventy (70) Days. Provided however, the amount of Financial Assurance for all rates, tolls and charges other than demand charges shall be based on the daily average of the actual charges billed for Service for the preceding twelve (12) Month period with the initial forecast to be provided by Customer; and
- (ii) for the provision of Service under subparagraph 5.1(ii) of Rate Schedule FT-D, the aggregate of all rates, tolls, charges or other amounts payable to Company for a period of seventy (70) Days plus one (1) Month for each remaining year of the term of such Service, up to a maximum of twelve (12) Months total.

The Financial Assurances for any new Facilities required to be installed or constructed by Company shall be determined in accordance with an agreement between Company and Customer for such Facilities.

11.0 INTERRUPTIONS AND CURTAILMENTS

11.1 Planned Interruptions

Provided that Company shall have given Customer at least forty-eight (48) hours ~~notice~~ Notice, Company may interrupt, curtail or reduce Service for such periods of time as it may reasonably require for the purpose of effecting any repairs, maintenance, replacement or upgrading or other work related to the Facilities.

11.2 Unplanned Interruptions

Notwithstanding paragraph 11.1, in the event of unforeseen circumstances Company may interrupt, curtail or reduce Service for such periods of time as it may reasonably require without giving Customer the ~~notice~~-Notice provided for in paragraph 11.1 provided that Company shall give ~~notice~~-Notice of such interruption, curtailment or reduction as soon as is reasonably possible.

11.3 Notice of Change in Operations

Customer and Company shall give each other as much ~~notice~~-Notice as is reasonably possible in the circumstances of expected temporary changes in the rates of delivery or receipt of gas, pressures or other operating conditions, together with the expected duration and the reason for such expected temporary changes.

11.4 Priority During Interruptions

11.4.1 At Receipt Points

During periods of interruption and curtailment Company may reduce any or all Service at Receipt Points in the following order:

- (i) Firstly, Service under Rate Schedules IT-R and IT-S based on the priority provisions of the applicable Service Agreement until such Service has been reduced to zero (0); and
- (ii) Secondly, Service under Rate Schedules FT-R, FT-RN, FT-X, FT-P, LRS, LRS-2 and LRS-3 on a prorata basis (the “Prorated Service”). Within the interrupted and curtailed area as determined by Company, Customer may, subject to Company’s consent, nominate Customer’s Prorated Service at any Receipt Point or combination of Receipt Points within such area during the period of interruption and curtailment, provided that the total volume nominated at each Receipt Point does not exceed:

12.0 FORCE MAJEURE**12.1 Notice of Force Majeure**

In the event that either Company or Customer is rendered unable by reason of force majeure to perform in whole or in part any covenant or obligation in the Tariff, the performance of such covenant or obligation shall be suspended during the continuance of such force majeure, except as provided for in paragraph 12.3, upon the following terms and conditions:

- (a) the party claiming suspension shall give ~~written~~ written Notice to the other party specifying full particulars of such force majeure as soon as is reasonably possible;
- (b) the party claiming suspension shall as far as possible remedy such force majeure as soon as is reasonably possible; and
- (c) the party claiming suspension shall give ~~written~~ written Notice to the other party as soon as is reasonably possible after such force majeure has been remedied.

12.2 Events of Force Majeure

For the purposes of these General Terms and Conditions, the term “force majeure” shall mean any cause not reasonably within the control of the party claiming suspension which by the exercise of due diligence such party is unable to prevent or overcome, including but without limiting the generality of the foregoing:

- (a) lightning, storms, earthquakes, landslides, floods, washouts, and other acts of God;
- (b) fires, explosions, ruptures, breakages of or accidents to the Facilities;
- (c) freezing of pipelines or wells, hydrate obstructions of pipelines or appurtenances thereto, temporary failure of gas supply;

7.0 RENEWAL OF SERVICE

7.1 Renewal Notification

Customer shall be entitled to renew Service under Rate Schedule IT-D if Customer gives Notice to Company of such renewal at least one (1) month prior to the Service Termination Date. If Customer does not provide such notice, the Service shall expire on the Service Termination Date.

7.2 Irrevocable Notice

Customer's notice to renew pursuant to paragraph 7.1 shall be irrevocable one (1) month prior to the Service Termination Date.

Any renewal of Service is subject to the Financial Assurances provisions in Article 10 of the General Terms and Conditions.

7.3 Renewal Term

The renewal term shall consist of increments of whole years and shall not be less than one (1) year.

8.0 APPLICATION FOR SERVICE

8.1 Applications for Service under this Rate Schedule IT-D shall be in such form as Company may prescribe from time to time.

-
- (b) Customer shall by ~~written~~ Notice to Company in form and substance satisfactory to Company designate Export Delivery Points, referred to in subparagraph 3(a), with respect to which Customer desires Service pursuant to Rate Schedule IT-D;
 - (c) from and after the time of receipt by Company of Customer's ~~written~~ Notice referred to in subparagraph 3(b) determined in Company's sole judgment, Customer shall be entitled to receive Service pursuant to Rate Schedule IT-D with respect to the Export Delivery Points designated as provided for in subparagraph 3(b) in priority to all Customers requesting such Service after the time, but subject to all Customers requesting such Service prior to the time, of Company's receipt of such ~~written~~ Notice; and
 - (d) Customer shall at Company's request from time to time provide written confirmation of the Export Delivery Points designated by Customer pursuant to subparagraph 3(b).
4. Customer agrees to pay to Company each Billing Month, for all Service rendered under this Service Agreement, an amount equal to the aggregate charges for Service described in Rate Schedule IT-D.
5. Customer shall:
- (a) provide such assurances and information as Company may reasonably require respecting any Service to be provided pursuant to this Rate Schedule IT-D including, without limiting the generality of the foregoing, an assurance that all necessary arrangements have been made among Customer, producers of gas for Customer, purchasers of gas from Customer and any other Person relating to such Service, including all gas purchase, gas sale, operating, processing and common stream arrangements; and

- (b) at Company's request provide Company with an assurance that Customer has provided the Person operating facilities downstream of any Delivery Point in respect of which Customer has the right to receive service with all authorizations necessary to enable such Person to provide Company with all data and information reasonably requested by Company for the purpose of allocating quantities of gas delivered by Company among Company's Customers and to bind Customer in respect of all such data and information provided.

If Customer fails to provide such assurances and information forthwith following request by Company, from time to time, Company may at its option, to be exercised by ~~an~~ Notice to Customer, suspend the Service to which such assurances and information relate until such time as Customer provides the assurances and information requested, provided however that any such suspension of Service shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.

6. Every notice, request, demand, statement, bid or bill (~~for the purpose of this paragraph, collectively referred to as "Notice"~~) provided for in Rate Schedule IT-D, this Service Agreement and the General Terms and Conditions, or any other notice which either Company or Customer may desire to give to the other (collectively referred to as "Notice") shall be in writing and each of them and every payment provided for shall be directed to the Person to whom given, made or delivered at such Person's address as follows:

Customer:

-
-
-

Attention: •

Fax: •

Company:

-
-
-

Attention: Customer Account Representative

Fax: •

Notice may be given by fax or other telecommunication and any such Notice shall be deemed to be given four (4) hours after transmission. Notice may also be given by personal delivery or by courier and any such Notice shall be deemed to be given at the time of delivery. Any Notice may also be given by prepaid mail and any such Notice shall be deemed to be given four (4) business days after mailing, Saturdays, Sundays and statutory holidays excepted. In the event of disruption of regular mail, every payment not made electronically shall be personally delivered, and any other Notice shall be given by one of the other stated means.

(a) Notwithstanding the foregoing:

(i) Company may give any Notice on the Website; and

(ii) Company and Customer shall give Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix “F” of the Tariff via the Website unless the Website is inoperative, in which case Notice shall be given by any other alternative means set out herein.

~~Any Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff shall be given via EBB Company shall not accept or provide any such Notice for those matters listed in Appendix "F" via any other alternative means, unless the EBB is inoperative or Customer is unable to establish connection with the EBB, in which case Notice shall be given by any other alternative means set out herein.~~

Any Notice ~~given by~~ posted on the EBB Website shall be deemed to be given one (1) hour after ~~transmission~~ posting.

(b) ~~Any~~ Notice may also be given by telephone followed immediately by ~~EBB~~, fax, personal delivery, courier or prepaid mail, and in the case of Company, by posting on the Website, and any Notice so given shall be deemed to have been given as of the date and time of the telephone ~~n~~ Notice.

- 7. The terms and conditions of Rate Schedule IT-D, the General Terms and Conditions and Schedule of Service under Rate Schedule IT-D are by this reference incorporated into and made a part of this Service Agreement.

IN WITNESS WHEREOF the parties have executed this Service Agreement by their proper signing officers duly authorized in that behalf all as of the • day of •, •.

•
Per: _____

NOVA Gas Transmission Ltd.
Per : _____

Per: _____

Per : _____

- (iii) thirdly to service to Customer under Rate Schedule FT-RN to a maximum of such Customer's Receipt Contract Demand for such Receipt Point under Rate Schedule FT-RN; and
- (iv) fourthly to Service to Customer under Rate Schedule IT-R at such Receipt Point.

5.0 TERM OF SERVICE

5.1 Term of Service Agreement

Customer's Service Agreement shall be in full force and effect until terminated by Customer in accordance with paragraph 5.2.

5.2 Termination Notice

Customer shall be entitled to terminate Service under Rate Schedule IT-R if Customer gives Company at least one (1) month prior ~~written~~ written Notice of such termination. Any such termination of Service shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.

6.0 TITLE TRANSFERS

- 6.1** A Customer entitled to receive Service under Rate Schedule IT-R may transfer all or a portion of Customer's Inventory to another Customer or may accept a transfer of all or a portion of Customer's Inventory from another Customer provided such Customer is entitled to receive service under any Rate Schedule that permits title transfers and such title transfer is in accordance with the Terms and Conditions of Service Respecting Title Transfers in Appendix "C" of the Tariff.

-
4. Customer agrees to pay to Company each Billing Month, for all Service rendered under this Service Agreement, an amount equal to the aggregate charges for Service described in Rate Schedule IT-R.

 5. Customer shall:
 - (a) provide such assurances and information as Company may reasonably require respecting any Service to be provided pursuant to this Rate Schedule IT-R including, without limiting the generality of the foregoing, an assurance that all necessary arrangements have been made among Customer, producers of gas for Customer, purchasers of gas from Customer and any other Person relating to such Service, including all gas purchase, gas sale, operating, processing and common stream arrangements; and

 - (b) at Company's request provide Company with an assurance that Customer has provided the Person operating facilities upstream of any Receipt Point in respect of which Customer has the right to receive service with all authorizations necessary to enable such Person to provide Company with all data and information reasonably requested by Company for the purpose of allocating volumes of gas received by Company among Company's Customers and to bind Customer in respect of all such data and information provided.

If Customer fails to provide such assurances and information forthwith following request by Company, from time to time, Company may at its option, to be exercised by ~~n~~Notice to Customer, suspend the Service to which such assurances and information relate until such time as Customer provides the assurances and information requested, provided however that any such suspension of Service shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.

6. Every notice, request, demand, statement, bid or bill (~~for the purpose of this paragraph, collectively referred to as "Notice"~~) provided for in Rate Schedule IT-R, this Service

Agreement and the General Terms and Conditions, or any other notice which either Company or Customer may desire to give to the other (collectively referred to as "Notice") shall be in writing and each of them and every payment provided for shall be directed to the Person to whom given, made or delivered at such Person's address as follows:

Customer:

-
-
-

Attention: •

Fax: •

Company:

-
-
-

Attention: Customer Account Representative

Fax: •

Notice may be given by fax or other telecommunication and any such Notice shall be deemed to be given four (4) hours after transmission. Notice may also be given by personal delivery or by courier and any such Notice shall be deemed to be given at the time of delivery. Any Notice may also be given by prepaid mail and any such Notice shall be deemed to be given four (4) business days after mailing, Saturdays, Sundays and statutory holidays excepted. In the event of disruption of regular mail, every payment not made electronically shall be personally delivered, and any other Notice shall be given by one of the other stated means.

- (a) Notwithstanding the foregoing:
 - (i) Company may give any Notice on the Website; and
 - (ii) Company and Customer shall give Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff via the Website unless the Website is inoperative, in which case Notice shall be given by any other alternative means set out herein.

~~Any Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff shall be given via EBB. Company shall not accept or provide any such Notice for those matters listed in Appendix "F" via any other alternative means, unless the EBB is inoperative or Customer is unable to establish connection with the EBB, in which case Notice shall be given by any other alternative means set out herein.~~

~~Any Notice given by posted on the EBB Website shall be deemed to be given one (1) hour after transmission posting.~~

- (b) ~~Any~~ Notice may also be given by telephone followed immediately by ~~EBB~~, fax, personal delivery, courier or prepaid mail, and in the case of Company, by posting on the Website, and any Notice so given shall be deemed to have been given as of the date and time of the telephone notice.

7. The terms and conditions of Rate Schedule IT-R, the General Terms and Conditions and Schedule of Service under Rate Schedule IT-R are by this reference incorporated into and made a part of this Service Agreement.

IN WITNESS WHEREOF the parties have executed this Service Agreement by their proper signing officers duly authorized in that behalf all as of the • day of •, •.

•
Per: _____

NOVA Gas Transmission Ltd.
Per : _____

8.0 RENEWAL OF SERVICE

8.1 Renewal Notification

Customer shall be entitled to renew Service under Rate Schedule IT-S if Customer gives nNotice to Company of such renewal at least one (1) month prior to the Service Termination Date. If Customer does not provide such nNotice, the Service shall expire on the Service Termination Date.

8.2 Irrevocable Notice

Customer's nNotice to renew pursuant to paragraph 8.1 shall be irrevocable one (1) month prior to the Service Termination Date.

Any renewal of Service is subject to the Financial Assurances provisions in Article 10 of the General Terms and Conditions.

8.3 Renewal Term

The renewal term shall consist of increments of whole years and shall not be less than one (1) year.

9.0 APPLICATION FOR SERVICE

9.1 Applications for Service under this Rate Schedule IT-S shall be in such form as Company may prescribe from time to time.

described in such Schedule of Service request Company to receive a volume of gas in excess of the capacity of the facilities (as determined by Company) upstream of such Storage Receipt Point or in excess of the capacity of the Facilities (as determined by Company) downstream of such Storage Delivery Point;

- (b) Customer shall by ~~written~~ Notice to Company in form and substance satisfactory to Company designate Storage Receipt Points and Storage Delivery Points, referred to in subparagraph 3(a), with respect to which Customer desires Service pursuant to Rate Schedule IT-S;
 - (c) from and after the time of receipt by Company of Customer's ~~written~~ Notice referred to in subparagraph 3(b) determined in Company's sole judgment, Customer shall be entitled to receive Service pursuant to Rate Schedule IT-S with respect to the Storage Receipt Points and Storage Delivery Points designated as provided for in subparagraph 3(b) in priority to all Customers requesting such Service after the time, but subject to all Customers requesting such Service prior to the time, of Company's receipt of such ~~written~~ Notice; and
 - (d) Customer shall at Company's request from time to time provide written confirmation of the Storage Receipt Points and Storage Delivery Points designated by Customer pursuant to subparagraph 3(b).
4. Customer agrees to pay to Company each Billing Month, for all Service rendered under this Service Agreement, an amount equal to the aggregate charges for Service described in Rate Schedule IT-S.

5. Customer shall:
- (a) provide such assurances and information as Company may reasonably require respecting any Service to be provided pursuant to this Rate Schedule IT-S including, without limiting the generality of the foregoing, an assurance that all necessary arrangements have been made among Customer, producers of gas for Customer, purchasers of gas from Customer and any other Person relating to such Service, including all gas purchase, gas sale, operating, processing and common stream arrangements; and
 - (b) at Company's request provide Company with an assurance that Customer has provided the Person operating facilities upstream of any Receipt Point or downstream of any Delivery Point in respect of which Customer has the right to receive service with all authorizations necessary to enable such Person to provide Company with all data and information reasonably requested by Company for the purpose of allocating quantities of gas received or delivered by Company among Company's Customers and to bind Customer in respect of all such data and information provided.

If Customer fails to provide such assurances and information forthwith following request by Company, from time to time, Company may at its option, to be exercised by ~~an~~ Notice to Customer, suspend the Service to which such assurances and information relate until such time as Customer provides the assurances and information requested, provided however that any such suspension of Service shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.

6. Every notice, request, demand, statement, bid or bill (~~for the purpose of this paragraph, collectively referred to as "Notice"~~) provided for in Rate Schedule IT-S, this Service Agreement and the General Terms and Conditions, or any other notice which either Company or Customer may desire to give to the other (collectively referred to as

“Notice”) shall be in writing and each of them and every payment provided for shall be directed to the Person to whom given, made or delivered at such Person's address as follows:

Customer:

-
-
-

Attention: •

Fax: •

Company:

-
-
-

Attention: Customer Account Representative

Fax: •

Notice may be given by fax or other telecommunication and any such Notice shall be deemed to be given four (4) hours after transmission. Notice may also be given by personal delivery or by courier and any such Notice shall be deemed to be given at the time of delivery. Any Notice may also be given by prepaid mail and any such Notice shall be deemed to be given four (4) business days after mailing, Saturdays, Sundays and statutory holidays excepted. In the event of disruption of regular mail, every payment not made electronically shall be personally delivered, and any other Notice shall be given by one of the other stated means.

- (a) Notwithstanding the foregoing:
- (i) Company may give any Notice on the Website; and
 - (ii) Company and Customer shall give Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff via the Website unless the Website is inoperative, in which case Notice shall be given by any other alternative means set out herein.

~~Any Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff shall be given via EBB. Company shall not accept or provide any such Notice for those matters listed in Appendix "F" via any other alternative means, unless the EBB is inoperative or Customer is unable to establish connection with the EBB, in which case Notice shall be given by any other alternative means set out herein.~~

~~Any Notice given by posted on the EBB Website shall be deemed to be given one (1) hour after transmission posting.~~

- (b) ~~Any~~ Notice may also be given by telephone followed immediately by ~~EBB~~, fax, personal delivery, courier or prepaid mail, and in the case of Company, by posting on the Website, and any Notice so given shall be deemed to have been given as of the date and time of the telephone ~~h~~Notice.

7. The terms and conditions of Rate Schedule IT-S, the General Terms and Conditions and Schedule of Service under Rate Schedule IT-S are by this reference incorporated into and made a part of this Service Agreement.

IN WITNESS WHEREOF the parties have executed this Service Agreement by their proper signing officers duly authorized in that behalf all as of the • day of •, •.

•

NOVA Gas Transmission Ltd.

Precedent Agreement and any additional volumes acquired by Customer pursuant to paragraph 12 of this Rate Schedule.

6.0 TERM OF SERVICE AGREEMENT

- 6.1 The term of a Service Agreement under Rate Schedule LRS shall expire on the date which is the latest Service Termination Date of Customer's LRS Receipt Point Obligations under such Service Agreement.
- 6.2 The initial term of an LRS Receipt Point Obligation in respect of any Customer Receipt Point identified in Appendix "1" shall be the period equal to the term set out in Customer's Palliser Precedent Agreement.
- 6.3 The term of an LRS Receipt Point Obligation in respect of any Customer Receipt Point, where new Service is obtained in accordance with the provisions of article 5.0 of this Rate Schedule, shall be a period equal to the term specified by Customer, provided that the minimum term that can be specified is one (1) year, (expressed in whole years) and provided that the Service Termination Date is no later than December 31, 2017.

7.0 CAPACITY RELEASE

- 7.1 If Customer desires a reduction of Customer's LRS Contract Demand for all or any portion of its Service under a Schedule of Service under Rate Schedule LRS Customer shall ~~notify~~ give Notice to Company of its request for such reduction specifying the particular Receipt Point, Schedule of Service and the LRS Contract Demand available to any other Person qualifying for Service under Rate Schedule LRS. Company assumes no obligation to find such Person to assume the LRS Contract Demand that Customer proposes to make available. If after ~~n~~Notice is given to Company a Person qualifying for

Service under Rate Schedule LRS is found who agrees to assume the LRS Contract Demand Customer proposes to make available, Company may reduce Customer's LRS Contract Demand under such Schedule of Service, on terms and conditions satisfactory to Company, by an amount equal to the LRS Contract Demand specified in a Schedule of Service, executed by Company and such Person. Notwithstanding such reduction, Customer shall at Company's sole option pay to Company within the time determined by Company an amount equal to the net book value of such Facilities in the event Company retires any Facilities required to provide such Service adjusted for all costs and expenses associated with such retirement.

8.0 RELIEF FOR MAINLINE RESTRICTIONS

8.1 Company may grant relief to a Customer entitled to Service under Rate Schedule LRS, in accordance with the Terms and Conditions Respecting Relief for Mainline Capacity Restrictions in Appendix "B" of the Tariff.

9.0 TRANSFER OF SERVICE BETWEEN RECEIPT POINTS

9.1 If Customer desires to transfer all or any portion of any Service under Rate Schedule LRS from one Receipt Point to another Receipt Point, Customer shall ~~notify~~ give Notice to Company of its request for such transfer specifying the particular Receipt Points and the Service that Customer wishes to transfer.

9.2 Company shall not be required to permit the transfer requested in paragraph 9.1 if:

- (i) the transferred-to Receipt Point location is north of Township 33 west of the 4th meridian and west of range 28 west of the 4th meridian except for the East Calgary Receipt Point No. 2007; or

- (ii) Company is required to install or construct Facilities at a new Receipt Point to provide the Service requested unless Customer provides a capital contribution equal in amount to the capital costs associated with the installation or construction of new Facilities.

10.0 TITLE TRANSFERS

- 10.1 A Customer entitled to receive Service under Rate Schedule LRS may transfer all or a portion of Customer's Inventory to another Customer or may accept a transfer of all or a portion of Customer's Inventory from another Customer provided such Customer is entitled to receive service under any Rate Schedule that permits title transfers and such title transfer is in accordance with the Terms and Conditions of Service Respecting Title Transfers in Appendix "C" of the Tariff.

11.0 ASSIGNMENTS

- 11.1 Customer shall not be permitted to assign any Service Agreements or Schedule of Service pertaining to a LRS Contract Demand at a Receipt Point identified in Appendix "1" of this Rate Schedule unless such assignment is to an affiliate (as defined in the *Business Corporation Act*, (Alberta) S.A. 1981, c. B-15 as amended from time to time) or to another Customer entitled to receive Service under Rate Schedule LRS.

12.0 RENEWAL OF SERVICE

- 12.1 Provided the Customer shall have given Company ~~n~~Notice advising Company that Customer desires to renew the term of all or a portion of any Service provided to Customer under this Rate Schedule LRS at least one (1) year prior to the expiry of the current term for which Company has agreed to provide such Service, Customer shall be

5. Customer shall:
- (a) provide such assurances and information as Company may reasonably require respecting any Service to be provided pursuant to Rate Schedule LRS including, without limiting the generality of the foregoing, an assurance that necessary arrangements have been made among Customer, producers of gas for Customer, purchasers of gas from Customer and any other Person relating to such Service, including all gas purchase, gas sale, operating, processing and common stream arrangements;
 - (b) at Company's request provide Company with an assurance that Customer has provided the Person operating facilities upstream of any Receipt Point in respect of which Customer has the right to receive Service with all authorizations necessary to enable such Person to provide Company with all data and information reasonably requested by Company for the purpose of allocating volumes of gas received by Company among Company's Customers and to bind Customer in respect of all such data and information provided; and
 - (c) represent and demonstrate on a monthly basis that volumes moved under this service were delivered to either the Empress Border or McNeill Border Export Delivery Points. Should Customer not demonstrate as required, or should the demonstration be inadequate or found to be invalid, the resulting credit will not apply for the subject volumes and associated contract demands.

If Customer fails to provide such assurances and information forthwith following request by Company, from time to time, Company may at its option, to be exercised by ~~h~~Notice to Customer, suspend the Service to which such assurances and information relate until such time as Customer provides the assurances and information requested, provided however that any such suspension of Service shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.

6. Customer acknowledges that the Facilities have been designed based on certain assumptions and forecasts described each year in Company's Annual Plan, and that interruption and curtailment of Service may occur if the aggregate gas volume actually received or the aggregate gas volume actually delivered at the Facilities is different than forecast.

7. Every notice, request, demand, statement, bid or bill (~~for the purpose of this paragraph, collectively referred to as "Notice"~~) provided for in Rate Schedule LRS, this Service Agreement and the General Terms and Conditions, or any other notice which either Company or Customer may desire to give to the other (collectively referred to as "Notice") shall be in writing and each of them and every payment provided for shall be directed to the Person to whom given, made or delivered at such Person's address as follows:

Customer:

-
-
-

Attention: •

Fax: •

Company:

-
-
-

Attention: Customer Account Representative

Fax: •

Notice may be given by fax or other telecommunication and any such Notice shall be deemed to be given four (4) hours after transmission. Notice may also be given by personal delivery or by courier and any such Notice shall be deemed to be given at the time of delivery. Any Notice may also be given by prepaid mail and any such Notice shall be deemed to be given four (4) business days after mailing, Saturdays, Sundays and statutory holidays excepted. In the event of disruption of regular mail, every payment not made electronically shall be personally delivered, and any other Notice shall be given by one of the other stated means.

(a) Notwithstanding the foregoing:

(i) Company may give any Notice on the Website; and

(ii) Company and Customer shall give Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff via the Website unless the Website is inoperative, in which case Notice shall be given by any other alternative means set out herein.

~~Any Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff shall be given via EBB. Company shall not accept or provide any such Notice for those matters listed in Appendix "F" via any other alternative means, unless the EBB is inoperative or Customer is unable to establish connection with the EBB, in which case Notice shall be given by any other alternative means set out herein.~~

Any Notice ~~given by~~ posted on the EBB Website shall be deemed to be given one (1) hour after ~~transmission~~ posting.

(b) ~~Any~~ Notice may also be given by telephone followed immediately by ~~EBB~~, fax, personal delivery, courier or prepaid mail, and in the case of Company, by posting on the Website, and any Notice so given shall be deemed to have been given as of the date and time of the telephone nNotice.

- 8. The terms and conditions of Rate Schedule LRS, the General Terms and Conditions and Schedule of Service under Rate Schedule LRS are by this reference incorporated into and made a part of this Service Agreement.

IN WITNESS WHEREOF the parties have executed this Service Agreement by their proper signing officers duly authorized in that behalf all as of the • day of , ••.

•
Per: _____

NOVA Gas Transmission Ltd.
Per : _____

Per: _____

Per : _____

3.0 SERVICE ENTITLEMENT

3.1 Company shall provide LRS-2 Customer with gas transportation service up to:

- (i) $1127 \times 10^3 \text{ m}^3/\text{d}$ (40 MMcf/d) from date of commencement of Service under Rate Schedule LRS-2 to December 31, 1999;
- (ii) $1550 \times 10^3 \text{ m}^3/\text{d}$ (55 MMcf/d) from January 1, 2000 to December 31, 2000;
- (iii) $2113 \times 10^3 \text{ m}^3/\text{d}$ (75 MMcf/d) from January 1, 2001 to December 31, 2001;
and
- (iv) $2817 \times 10^3 \text{ m}^3/\text{d}$ (100 MMcf/d) from January 1, 2002 to October 31, 2013.

The amount identified in each of the subparagraphs (i) through (iv) shall, for the applicable period, be referred to as the "Maximum Eligible LRS-2 Volume".

3.2 LRS-2 Customer shall be entitled to increase its then current entitlement to LRS-2 from time to time by giving Company four (4) months prior ~~written~~ notice of the desired increase, provided that any such increase shall not result at any time in the LRS-2 Customer's entitlement to Service under Rate Schedule LRS-2 exceeding the Maximum Eligible LRS-2 Volume in effect at the end of such four (4) month notice period. LRS-2 Customer's entitlement to Service under Rate Schedule LRS-2, at any point in time, determined in accordance with this paragraph 3.2, shall be referred to as "Service Entitlement". LRS-2 Customer's initial Service Entitlement shall be $1127 \times 10^3 \text{ m}^3/\text{d}$ (40 MMcf/d), and LRS-2 Customer's Service Entitlement shall never be less than be $1127 \times 10^3 \text{ m}^3/\text{d}$ (40 MMcf/d).

Schedule LRS-2 and will terminate, subject to the provisions of this Service Agreement, on the Service Termination Date.

4. Customer agrees to pay to Company each Billing Month, for all Service rendered under this Service Agreement, an amount equal to the aggregate charges for Service described in Rate Schedule LRS-2.

5. Customer shall:
 - (a) provide such assurances and information as Company may reasonably require respecting any Service to be provided pursuant to Rate Schedule LRS-2 including, without limiting the generality of the foregoing, an assurance that necessary arrangements have been made among Customer, producers of gas for Customer, purchasers of gas from Customer and any other Person relating to such Service, including all gas purchase, gas sale, operating, processing and common stream arrangements; and

 - (b) at Company's request provide Company with an assurance that Customer has provided the Person operating facilities upstream of any Receipt Point or downstream of any Delivery Point in respect of which Customer has the right to receive service with all authorizations necessary to enable such Person to provide Company with all data and information reasonably requested by Company for the purpose of allocating quantities of gas received or delivered by Company among Company's Customers and to bind Customer in respect of all such data and information provided; and

 - (c) provide the Officer's Certificate as defined in 4.3.1 of Rate Schedule LRS-2.
If Customer fails to provide such assurances and information forthwith following request by Company, from time to time, Company may at its option, to be exercised by ~~a~~ Notice to Customer, suspend the Service to which such assurances and information relate until such time as Customer provides the assurances and

information requested, provided however that any such suspension of Service shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.

6. Customer acknowledges that the Facilities have been designed based on certain assumptions and forecasts described each year in Company's Annual Plan, and that interruption and curtailment of Service may occur if the aggregate gas quantity actually received or the aggregate gas quantity actually delivered at the Facilities is different than forecast..
7. Every notice, request, demand, statement, bid or bill (~~for the purpose of this paragraph, collectively referred to as "Notice"~~) provided for in Rate Schedule LRS-2, this Service Agreement and the General Terms and Conditions, or any other notice which either Company or Customer may desire to give to the other (collectively referred to as "Notice") shall be in writing and each of them and every payment provided for shall be directed to the Person to whom given, made or delivered at such Person's address as follows:

Customer:

-
-
-

Attention: •

Fax: •

Company:

-
-
-

Attention: Customer Account Representative

Fax: •

Notice may be given by fax or other telecommunication and any such Notice shall be deemed to be given four (4) hours after transmission. Notice may also be given by personal delivery or by courier and any such Notice shall be deemed to be given at the time of delivery. Any Notice may also be given by prepaid mail and any such Notice shall be deemed to be given four (4) business days after mailing, Saturdays, Sundays and statutory holidays excepted. In the event of disruption of regular mail, every payment not made electronically shall be personally delivered, and any other Notice shall be given by one of the other stated means.

(a) Notwithstanding the foregoing:

- (i) Company may give any Notice on the Website; and
- (ii) Company and Customer shall give Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff via the Website unless the Website is inoperative, in which case Notice shall be given by any other alternative means set out herein.

~~Any Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff shall be given via EBB. Company shall not accept or provide any such Notice for those matters listed in Appendix "F" via any other alternative means, unless the EBB is inoperative or Customer is unable to establish connection with the EBB, in which case Notice shall be given by any other alternative means set out herein.~~

Any Notice ~~given by~~ posted on the EBB Website shall be deemed to be given one (1) hour after ~~transmission~~ posting.

(b) ~~Any~~ Notice may also be given by telephone followed immediately by ~~EBB~~, fax, personal delivery, courier or prepaid mail, and in the case of Company, by posting on the Website, and any Notice so given shall be deemed to have been given as of the date and time of the telephone ~~n~~Notice.

8. The terms and conditions of Rate Schedule LRS-2, the General Terms and Conditions and Schedule of Service under Rate Schedule LRS-2 are by this reference incorporated into and made a part of this Service Agreement.

IN WITNESS WHEREOF the parties have executed this Service Agreement by their proper signing officers duly authorized in that behalf all as of the ● day of ●, ●.

●

NOVA Gas Transmission Ltd.

Per: _____

Per : _____

Per: _____

Per : _____

- (ii) the renewal volume specified by Customer for each Schedule of Service for Service under Rate Schedule LRS-3 shall be less than or equal to LRS-3 Contract Demand for such Schedule of Service.

Any renewal of Service is subject to the Financial Assurances provisions in Article 10.0 of the General Terms and Conditions.

6.3 Irrevocable Renewal Notice

Customer's ~~renewal~~ Notice to renew pursuant to paragraph 6.2 shall be irrevocable twelve (12) months prior to the Service Termination Date.

6.4 Renewal Term

Customer's renewal ~~renewal~~ Notice shall specify a renewal term that:

- (i) shall be a minimum of one (1) year consisting of increments of whole months; and
- (ii) shall have a Termination Date no later than twenty (20) years from the Billing Commencement Date of the Initial LRS-3 Term.

6.5 Termination

Customer shall be entitled to terminate the Service Agreement in whole and not in part at the end of the Initial LRS-3 Term or any time after the Initial LRS-3 Term provided that Customer gives Company twelve (12) months prior ~~written~~ ~~renewal~~ Notice. If Customer does not provide such termination ~~renewal~~ Notice to Company, Customer's Service Agreement shall terminate on the latest Service Termination Date of Customer's Schedule of Service for Service under Rate Schedule LRS-3.

7.0 CAPACITY RELEASE

7.1 A Customer entitled to receive Service under Rate Schedule LRS-3 shall not be entitled to reduce Customer's LRS-3 Contract Demand for all or any portion of its Service under a Schedule of Service under Rate Schedule LRS-3.

8.0 RELIEF FOR MAINLINE RESTRICTIONS

8.1 Company may grant relief to a Customer entitled to Service under Rate Schedule LRS-3, in accordance with the Terms and Conditions Respecting Relief for Mainline Capacity Restrictions in Appendix "B" of the Tariff.

9.0 TRANSFER OF SERVICE BETWEEN RECEIPT POINTS

9.1 If Customer desires to transfer all or any portion of any Service under Rate Schedule LRS-3 from one LRS-3 Receipt Point to another LRS-3 Receipt Point, Customer shall ~~notify~~ give Notice to Company of its request for such transfer specifying the particular LRS-3 Receipt Points and the Service that Customer wishes to transfer.

9.2 Company is under no obligation to permit the transfer requested in paragraph 9.1, but may permit such transfer provided that:

- (i) the transferred-to LRS-3 Receipt Point location is on the Company's Facilities between the Bowmanton Receipt Point No. 1216 and the Empress Border Export Delivery Point; and

5. Customer shall:
- (a) provide such assurances and information as Company may reasonably require respecting any Service to be provided pursuant to Rate Schedule LRS-3 including, without limiting the generality of the foregoing, an assurance that necessary arrangements have been made among Customer, producers of gas for Customer, purchasers of gas from Customer and any other Person relating to such Service, including all gas purchase, gas sale, operating, processing and common stream arrangements; and
 - (b) at Company's request provide Company with an assurance that Customer has provided the Person operating facilities upstream of any Receipt Point in respect of which Customer has the right to receive Service with all authorizations necessary to enable such Person to provide Company with all data and information reasonably requested by Company for the purpose of allocating volumes of gas received by Company among Company's Customers and to bind Customer in respect of all such data and information provided.

If Customer fails to provide such assurances and information forthwith following request by Company, from time to time, Company may at its option, to be exercised by ~~it~~ Notice to Customer, suspend the Service to which such assurances and information relate until such time as Customer provides the assurances and information requested, provided however that any such suspension of Service shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.

6. Customer acknowledges that the Facilities have been designed based on certain assumptions and forecasts described each year in Company's Annual Plan, and that interruption and curtailment of Service may occur if the aggregate gas volume actually

received or the aggregate gas volume actually delivered at the Facilities is different than forecast.

7. Every notice, request, demand, statement, bid or bill (~~for the purpose of this paragraph, collectively referred to as “Notice”~~) provided for in Rate Schedule LRS-3, this Service Agreement and the General Terms and Conditions, or any other notice which either Company or Customer may desire to give to the other (collectively referred to as “Notice”) shall be in writing and each of them and every payment provided for shall be directed to the Person to whom given, made or delivered at such Person's address as follows:

Customer:

- -
 -
- Attention: •
- Fax: •

Company:

- -
 -
- Attention: Customer Account Representative
- Fax: •

Notice may be given by fax or other telecommunication and any such Notice shall be deemed to be given four (4) hours after transmission. Notice may also be given by personal delivery or by courier and any such Notice shall be deemed to be given at the time of delivery. Any Notice may also be given by prepaid mail and any such Notice shall be deemed to be given four (4) business days after mailing, Saturdays, Sundays and

statutory holidays excepted. In the event of disruption of regular mail, every payment not made electronically shall be personally delivered, and any other Notice shall be given by one of the other stated means.

(a) Notwithstanding the foregoing:

(i) Company may give any Notice on the Website; and

(ii) Company and Customer shall give Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff via the Website unless the Website is inoperative, in which case Notice shall be given by any other alternative means set out herein.

~~Any Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff shall be given via EBB. Company shall not accept or provide any such Notice for those matters listed in Appendix "F" via any other alternative means, unless the EBB is inoperative or Customer is unable to establish connection with the EBB, in which case Notice shall be given by any other alternative means set out herein.~~

~~Any Notice given by posted on the EBB Website shall be deemed to be given one (1) hour after transmission posting.~~

(b) ~~Any~~ Notice may also be given by telephone followed immediately by ~~EBB~~, fax, personal delivery, courier or prepaid mail, and in the case of Company, by posting on the Website, and any Notice so given shall be deemed to have been given as of the date and time of the telephone nNotice.

8. The terms and conditions of Rate Schedule LRS-3, the General Terms and Conditions and Schedule of Service under Rate Schedule LRS-3 are by this reference incorporated into and made a part of this Service Agreement.

3.2 Aggregate of Customer's Surcharges

The aggregate of Customer's Surcharges for a Billing Month shall be equal to the sum of all Surcharges set forth in the Table of Rates, Tolls and Charges applicable to each of Customer's Schedules of Service under Rate Schedule OS.

3.3 Aggregate Charge For Service

Customer shall pay for each Billing Month the sum of the amounts calculated in accordance with paragraphs 3.1 and 3.2.

4.0 SERVICE RELEASE

4.1 If Customer desires to release all or any portion of its Service under any Schedule of Service under Rate Schedule OS, Customer shall ~~notify~~ give Notice to Company of its request to release such Service describing the location and nature of the reduction in Service requested. Company shall not have any obligation to find any Person to assume such Service. If after ~~a~~ Notice is given to Company a Person is found who agrees to assume such Service, Company may allow Customer to release such Service to the extent that such Service is provided for in a Service Agreement and new Schedule of Service under Rate Schedule OS executed by Company and such Person.

5.0 PAYMENT ON RETIREMENT OF FACILITIES

5.1 In the event that there remains on Company's books of account any net book value in respect of Facilities used in providing Service under any Schedule of Service under this Rate Schedule OS either:

6. Every notice, request, demand, statement, bid or bill ~~(for the purpose of this paragraph, collectively referred to as “Notice”)~~ provided for in Rate Schedule OS, this Service Agreement and the General Terms and Conditions, or any other notice which either Company or Customer may desire to give to the other (collectively referred to as “Notice”) shall be in writing and each of them and every payment provided for shall be directed to the Person to whom given, made or delivered at such Person's address as follows:

Customer:

-
-
-

Attention: •

Fax: •

Company:

-
-
-

Attention: Customer Account Representative

Fax: •

Notice may be given by fax or other telecommunication and any such Notice shall be deemed to be given four (4) hours after transmission. Notice may also be given by personal delivery or by courier and any such Notice shall be deemed to be given at the time of delivery. Any Notice may also be given by prepaid mail and any such Notice shall be deemed to be given four (4) business days after mailing, Saturdays, Sundays and statutory holidays excepted. In the event of disruption of regular mail, every payment not made electronically shall be personally delivered, and any other Notice shall be given by one of the other stated means.

(a) Notwithstanding the foregoing:

(i) Company may give any Notice on the Website; and

(ii) Company and Customer shall give Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff via the Website unless the Website is inoperative, in which case Notice shall be given by any other alternative means set out herein.

~~Any Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff shall be given via EBB. Company shall not accept or provide any such Notice for those matters listed in Appendix "F" via any other alternative means, unless the EBB is inoperative or Customer is unable to establish connection with the EBB, in which case Notice shall be given by any other alternative means set out herein.~~

~~Any Notice given by posted on the EBB Website shall be deemed to be given one (1) hour after transmission posting.~~

(b) ~~Any~~ Notice may also be given by telephone followed immediately by ~~EBB~~, fax, personal delivery, courier or prepaid mail, and in the case of Company, by posting on the Website, and any Notice so given shall be deemed to have been given as of the date and time of the telephone notice.

5. Customer shall:
- (a) provide such assurances and information as Company may reasonably require respecting any Service to be provided pursuant to this Rate Schedule PT including, without limiting the generality of the foregoing, an assurance that all necessary arrangements have been made among Customer, producers of gas for Customer, purchasers of gas from Customer and any other Person relating to such Service, including all gas purchase, gas sale, operating, processing and common stream arrangements; and
 - (b) at Company's request provide Company with an assurance that Customer has provided the Person operating facilities upstream of any Receipt Point or downstream of any Delivery Point in respect of which Customer has the right to receive service with all authorizations necessary to enable such Person to provide Company with all data and information reasonably requested by Company for the purpose of allocating volumes of gas received or delivered by Company among Company's Customers and to bind Customer in respect of all such data and information provided.

If Customer fails to provide such assurances and information forthwith following request by Company from time to time, Company may at its option, to be exercised by ~~an~~ Notice to Customer, suspend the Service to which such assurances and information relate until such time as Customer provides the assurances and information requested, provided however that any such suspension of Service shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.

6. Every notice, request, demand, statement, bid or bill (~~for the purpose of this paragraph, collectively referred to as "Notice"~~) provided for in Rate Schedule PT, this Service Agreement and the General Terms and Conditions, or any other notice which either Company or Customer may desire to give to the other (collectively referred to as "Notice") shall be in writing and each of them and every payment provided for shall be

directed to the Person to whom given, made or delivered at such Person's address as follows:

Customer:

-
-
-

Attention: •

Fax: •

Company:

-
-
-

Attention: Customer Account Representative

Fax: •

Notice may be given by fax or other telecommunication and any such Notice shall be deemed to be given four (4) hours after transmission. Notice may also be given by personal delivery or by courier and any such Notice shall be deemed to be given at the time of delivery. Any Notice may also be given by prepaid mail and any such Notice shall be deemed to be given four (4) business days after mailing, Saturdays, Sundays and statutory holidays excepted. In the event of disruption of regular mail, every payment not made electronically shall be personally delivered, and any other Notice shall be given by one of the other stated means.

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(ii) Company and Customer shall give Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix “F” of the Tariff via the Website unless the Website is inoperative, in which case Notice shall be given by any other alternative means set out herein.

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(b) ~~Any~~ Notice may also be given by telephone followed immediately by EBB, fax, personal delivery, courier or prepaid mail, and in the case of Company, by posting on the Website, and any Notice so given shall be deemed to have been given as of the date and time of the telephone notice.

7. The terms and conditions of Rate Schedule PT, the General Terms and Conditions and Schedule of Service under Rate Schedule PT are by this reference incorporated into and made a part of this Service Agreement.

IN WITNESS WHEREOF the parties have executed this Service Agreement by their proper signing officers duly authorized in that behalf all as of the • day of •, •.

•

NOVA Gas Transmission Ltd.

Per:

Per :

5.3 Company or Customer shall be entitled to terminate Customer's Service Agreement under Rate Schedule STFT upon at least 60 days prior ~~written~~ Notice of such termination. Upon expiration of the aforesaid 60 day period, such Service Agreement shall terminate and be of no further force or effect; provided that nothing herein shall relieve any party from any obligations which arose prior to the effective date of such termination, including all obligations under Customer's Schedules of Service in force on the effective date of such termination.

6.0 ASSIGNMENTS

6.1 The Customer shall not be entitled to assign any Schedule of Service under Rate Schedule STFT.

7.0 TITLE TRANSFERS

7.1 A Customer entitled to receive Service under Rate Schedule STFT may transfer all or a portion of Customer's Inventory to another Customer or may accept a transfer of all or a portion of Customer's Inventory from another Customer provided such Customer is entitled to receive service under any Rate Schedule that permits title transfers and such title transfer is in accordance with the Terms and Conditions of Service Respecting Title Transfers in Appendix "C" of the Tariff.

8.0 GENERAL TERMS AND CONDITIONS

8.1 The General Terms and Conditions of the Tariff and the provisions of any Service Agreement for Service under Rate Schedule STFT are applicable to Rate Schedule STFT to the extent that such terms and conditions and provisions are not inconsistent with this Rate Schedule.

4. Customer agrees to pay to Company each Billing Month, for all Service rendered under this Service Agreement, an amount equal to the aggregate charges for Service described in Rate Schedule STFT.

5. Customer shall:
 - (a) provide such assurances and information as Company may reasonably require respecting any Service to be provided pursuant to this Rate Schedule STFT including, without limiting the generality of the foregoing, an assurance that necessary arrangements have been made among Customer, producers of gas for Customer, purchasers of gas from Customer and any other Person relating to such Service, including all gas purchase, gas sale, operating, processing and common stream arrangements; and

 - (b) at Company's request provide Company with an assurance that Customer has provided the Person operating facilities downstream of any Delivery Point in respect of which Customer has the right to receive service with all authorizations necessary to enable such Person to provide Company with all data and information reasonably requested by Company for the purpose of allocating quantities of gas delivered by Company among Company's Customers and to bind Customer in respect of all such data and information provided.

If Customer fails to provide such assurances and information forthwith following request by Company, from time to time, Company may at its option, to be exercised by Nnotice to Customer, suspend the Service to which such assurances and information relate until such time as Customer provides the assurances and information requested, provided however that any such suspension of Service shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.

6. Customer acknowledges that the Facilities have been designed based on certain assumptions and forecasts described each year in Company's Annual Plan, and that interruption and curtailment of Service may occur if the aggregate gas quantity actually

received or the aggregate gas quantity actually delivered at the Facilities is different than forecast.

7. Every notice, request, demand, statement, bid or bill (~~for the purpose of this paragraph, collectively referred to as “Notice”~~) provided for in Rate Schedule STFT, this Service Agreement and the General Terms and Conditions, or any other notice which either Company or Customer may desire to give to the other (collectively referred to as “Notice”) shall be in writing and each of them and every payment provided for shall be directed to the Person to whom given, made or delivered at such Person's address as follows:

Customer:

- -
 -
- Attention: •
- Fax: •

Company:

- -
 -
- Attention: Customer Account Representative
- Fax: •

Notice may be given by fax or other telecommunication and any such Notice shall be deemed to be given four (4) hours after transmission. Notice may also be given by personal delivery or by courier and any such Notice shall be deemed to be given at the time of delivery. Any Notice may also be given by prepaid mail and any such Notice shall be deemed to be given four (4) business days after mailing, Saturdays, Sundays and statutory holidays excepted. In the event of disruption of regular mail, every payment not

made electronically shall be personally delivered, and any other Notice shall be given by one of the other stated means.

(a) Notwithstanding the foregoing:

(i) Company may give any Notice on the Website; and

(ii) Company and Customer shall give Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff via the Website unless the Website is inoperative, in which case Notice shall be given by any other alternative means set out herein.

~~Any Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff shall be given via EBB. Company shall not accept or provide any such Notice for those matters listed in Appendix "F" via any other alternative means, unless the EBB is inoperative or Customer is unable to establish connection with the EBB, in which case Notice shall be given by any other alternative means set out herein.~~

~~Any Notice given by posted on the EBB Website shall be deemed to be given one (1) hour after transmission posting.~~

(b) ~~Any Notice may also be given by telephone followed immediately by EBB, fax, personal delivery, courier or prepaid mail, and in the case of Company, by posting on the Website, and any Notice so given shall be deemed to have been given as of the date and time of the telephone notice.~~ Notice:

8. The terms and conditions of Rate Schedule STFT, the General Terms and Conditions and Schedule of Service under Rate Schedule STFT are by this reference incorporated into and made a part of this Service Agreement.

IN WITNESS WHEREOF the parties have executed this Service Agreement by their proper signing officers duly authorized in that behalf all as of the • day of •, •.